

# Mr Smith calls snap election to rally whites in Rhodesia

attempt to impress on Britain the United States that he leads the right country, Mr. Smith, the Lesian Prime Minister, yesterday called a snap election to renew his mandate. He said he would campaign for an internal settlement on majority rule. The Foreign Office in London bitterly regretted his decision (report, page 7).

## Complaint of British betrayal

Friday, July 18

at Smith, the Rhodesian Minister, tonight called a meeting of the cabinet. It was decided to seek mandate because, without it, he could not see any possible end being worked out with the British. Mr. Smith, believed was dealing with a weak Rhodesia and that the Rhodesians on the defensive action was needed. He prepared to sit under duress.

On broadcast on radio and Mr. Smith began by the recent visit to Salisbury by the British settlement team indicated a British were no longer to abide by the handings made with Dr. Owen the Foreign Secretary, at the time he was in Cape Town and Salisbury at the strict of domestic exercise.

In addition to underlings to himself and his colleagues, he said, Dr. Owen had tried to the Rhodesians to give them a mandate to retain the confidence to Rhodesians would be public. Anything which would the maintenance of order could not be achieved. All voices had to be heard and they would be given a right of veto. Mr. Smith said that from the he had made it clear of confidence were to be and, it would be necessary to provide safeguards in the future; special representation in Parliament; no vote blocking mechanism; no entrenched clauses; and the forces and the order of the maintenance of the civil service and the security forces.

These, Mr. Smith said, were the only confidence of the white lost but it would lead for the mass of de-termining black Rhodesians and the development of a situation of chaos comparable to the British had said at an early meeting. Mr. Smith continued, that it believed there were alternative safeguards to high franchise representation and parliamentary representation. Experts could provide them.

The Rhodesians were prepared to examine these, Mr. Smith said. However, last week he had said that there was no hope of anything other than "one man one vote"; no special representation for whites and no adequate protection in the constitution of minorities.

Mr. Smith said that in Cape Town, he had discussed with Dr. Owen the question of rehabilitation of "terrorists". Dr. Owen saw no problem. The terrorists could be reabsorbed into their civilian or business and those who were not interested could go to other countries.

However, last week, he was in a meeting with a new coalition of "terrorists" would be given preferential treatment for inclusion in the present security forces.

It was absolutely clear to Mr. Smith that the Rhodesians were calling the tune. Mr. Smith said, "This is tantamount to giving them a 'veto'."

I reminded the British and United States representatives that this new offer was completely beside what had previously been said and that it was not only unacceptable to me and my Government but that no white Rhodesian of any consequence would go along with it.

To my surprise Mr. Graham [Mr. John Graham, a senior Foreign Office official] informed me that he had had to disagree; that a large number of Rhodesians had assured him that they were happy to support such a plan.

On the surface people might come to the conclusion that Rhodesia was divided and weak. Therefore, he believed it was imperative that decisive positive action should be taken to remove any such illusion. A sample policy would be:

1. A fair and just settlement of the constitution, which would trench the necessary safeguards, by the end of this year the constitution would be to the electorate through a referendum.
2. Continuing determination to strengthen the war effort against terrorism.
3. Maintenance of a vigorous economy, without which the above objectives could not be achieved.
4. Establishment of a broad-based government, including black Rhodesians, to provide climate of trust and confidence in which all Rhodesians could work together for a settlement.
5. Removal of any remaining conditions which were considered unnecessary and desirable.

The diplomatic struggle Rhodesia every bit as difficult as the military one. Andrew Young, the American representative at the United Nations, said in London yesterday, "There were many different choices for the British in the American government in the pursuit of a peaceful settlement; all of them were both considered."

Mr. Young, who was in London for routine consultations with the British Government, speaking after a lunch given for him by Dr. Owen, Foreign Secretary, Mr. Peter Jay, the new British Ambassador to Washington, who was in his post this week, was in the present.

Dr. Owen, emphasizing the situation in Rhodesia "very fluid", said Britain America were not taking entrenched positions. The United States would not agree to a settlement that would deny the support of a majority of people who would be living an independent Zimbabwe. It made difficulties raised in transition period.

London regret, page

## Electricity Board challenges Mr Benn on Drax order

By Maurice Corina  
Industrial Editor

The Central Electricity Generating Board said last night it was withdrawing an offer to the power station equipment manufacturing industry to provide a steady five-year ordering programme.

At the same time Mr Glyn England, its chairman, has written to Mr Wedwood Benn, Secretary of State for Energy, requesting more information on this controversial announcement that he is asking the Board to negotiate with C. A. Parsons for the supply of three gas-turbine generating units for a £600m coal-fired Drax B power station, whose construction is

to be advanced by two years. Earlier in the day Mr Benn told the Commons that the Government had approved in principle the payment of compensation to the CEGB for advancing the Drax station.

This is a major defeat in Cabinet for Mr Verley, Secretary of State for Industry, who had backed the think tank's recommendation that orders for Drax equipment should be conditional on a treaty between turbogenerator manufacturers GEC and C. A. Parsons, and the boiler engineers, Clarke Chapman and Babcock & Wilcox.

Last night angry directors of GEC were discussing the offer to submit a competitive tender against their rivals, Parsons, for the generating equipment for Drax.

Such a move would place the CEGB, as customer, in a dilemma and embarrass the Government over its decision to reject Mr Verley's publicly-declared advice that GEC should take control over a merged generator company within some National Enterprise Board involvement.

In his Commons statement Mr Benn said Mr Verley had informed the House that he had not at this stage proved possible to find an acceptable basis for restructuring the power plant industry.

At the same time, he said, the Government had decided the lack of home orders, to-

gether with the relative lack of export opportunities in present economic circumstances, had led to a pressing short-term need for work in sections of the industry.

"To help with these short-term problems", he said, "the Government have now decided that it would be right for the CEGB to place an order for a Drax B coal-fired power station, and that the order for turbo-generators should be negotiated with C. A. Parsons."

The CEGB had not planned to place an order for the station before 1979, and the Government had agreed in principle to the payment of compensation to the Board in

respect of costs bringing forward the work. The Government intended, further, as soon as possible, to allow the thermal reactor order would be nuclear station.

The power plant would also benefit repair and maintenance programmes. It believed Drax order, in benefiting the industry, would be a further mark of the United Kingdom's commitment to the European Community.

Confidence in the station would be years ahead of normal.

Continued on

## Government expected to have majority of 30 in confidence vote

By George Clark  
Political Correspondent

The Government is expected to have a majority of up to 30 when the Commons votes on the latest stage of its counter-inflation policy tomorrow night.

The Parliamentary Liberal Party met last night to consider the statement on phase three of the income policy made by Mr. Chancellor of the Exchequer and its attitude to tomorrow's confidence vote. After an hour's discussion, it issued a bulletin stating: "In accordance with our agreement with the Government, the Liberal Party will vote with the Government on the confidence vote on Wednesday."

"Liberals meet next Tuesday to consider the question of the removal of the Liberal-Labour agreement next session."

The meeting was attended by Liberal MPs and those people who have "shadow" responsibilities in the House of Lords. Absentees, who had other pressing engagements, were Mr. Seish, chief whip, Mr. Cyril Smith and Mr. Russell Johnson.

The Liberals' statement deliberately avoided a comment on the Chancellor's measures, although there had been plenty of hints that one would be forthcoming. Obviously, many Liberals have reservations about the transition to free collective bargaining and doubt whether the Government will be able to ensure that it is "orderly".

According to one source, the Liberals decided not to "rock the boat" tomorrow because they were bound by the agreement made by Mr. Sieel in March to support the Government for the rest of the session in return for some concessions never clearly specified.

Next session, they are expected to be more forceful in demanding and getting the acceptance of policies they regard as essential.

They will certainly demand quick action on the Bill for direct elections to the European Parliament, with proportional representation; and they want real progress on devolution.

They will probably also say that if the Government does not produce viable proposals in the White Paper promised for next week.

They will also insist next session, in spite of government reluctance, on a Bill to encourage copartnership and joint ownership in industry. They will also call for a big change away from income tax to indirect taxes.



**Tony Greig, the Sussex cricketer, puts his name to something innocuous at the Oval yesterday after being severely reprimanded over a newspaper article. Report, p12.**

## Carter policy attacked by President Giscard

From Ian Murray  
Paris, July 13.

In an important statement of French foreign policy, President Giscard d'Estaing says he believes that new American initiatives have "jeopardized the process of détente."

In an interview with the senior European editor of *Le Monde*, Armand de Borchgrave, is being interpreted in Paris as a decision that France must return to a form of Gaullism holding a "profound skepticism" between the two superpowers.

The President said in the interview: "We are in a situation of mutual distrust, aggravated by the new ideological dimension on the human rights question. The human rights campaign is ill-conceived and can, by raising false hopes in the East, start another Hungarian-style revolution, leading to a new wave of violence which we must not do anything but offer victims."

Asked about the mood of President Brezhnev towards America during the Soviet leader's visit to Paris last week, de Borchgrave said Giscard d'Estaing said: "Mr. Brezhnev feels that some of President Carter's decisions have broken what I will call the code of détente. But beyond style there is a content question. He does not understand the objective sought by 'breaking the code.'"

He went on: "What seems clear to me is that the Soviet policy is that he has introduced a fresh ideological dimension. This undoubtedly mer certain needs—such as non-proliferation of nuclear armaments and human rights—such as most people of my own preoccupations. But it has jeopardized the process of détente. The question now is whether we have new ideological themes can be applied without provoking negative reactions."

The problems is that the Soviet policy in the campaign as a means of pressure to get them to abandon their system. And, as we all know, their system is quite incompatible with Western liberal values."

The French leader said he did not believe that détente was a ruse to pull the West into a false sense of security while the Soviet Union, achieved global military supremacy and "imposed its own moral judgment. Moscow's détente objectives are limited and specific. Firstly, a slowdown and then a reduction in the nuclear arms race on the basis of a "balance of terror," is a wonder, wondering whether one of the United States objectives isn't to recapture a measure of military technological superiority.

Secondly, the recognition that there are very real and specific areas for developing economic, political and cultural cooperation outside the ideological competition. Détente is an alternative to a senseless arms race.

"Unless the superpowers can re-establish a common language there is little doubt in my mind that we will soon be living in a quite different climate. In the quiet times we have known in recent years, What has happened in the last three months confirms this. There is a profound misunderstanding between the West and the East, and faced with this misunderstanding there is an increasingly common European attitude."

"France and West Germany may not in complete agreement in this respect," Chancellor Schmidt told me he shares our perceptions of détente and the need to respect the end of conflict."

The Soviet Union, he says, "has every historical reason to feel itself militarily vulnerable. It is my impression that they are still going for parity not equality."

Asked about the wisdom of Western countries exporting technology to the East he says to push the Soviet system to an economic disaster would be counter-productive. "Détente is an objective it is difficult to avoid confrontation and

Continued on page 6, col 7

## Court of Appeal rejects move to force Post Office to free mail

By a Staff Reporter

Another attempt to force the Post Office to accept mail transported by a mail train at its sorting office at Cricklewood, London, because of the Grunwick dispute, failed in the Court of Appeal yesterday (law report, page 41).

The court was in sympathy after being told that three companies in the area affected by the dispute have mail containing £25,000 of money up. However, it dismissed an appeal by Mr Harold Shaw, aged 56, chairman and managing director of the companies, against the refusal of Mr Justice Macpherson in the High Court last week to grant an order directing the Post Office to release the mail.

Lord Denning, Master of the Rolls, said the court probably has no jurisdiction and, in any case, as a matter of discretion in industrial relations, I do not think this should interfere." Mr Shaw was refused leave to take the case to the House of Lords.

The court of inquiry into the dispute said today that the Grunwick management exploited the vulnerability of many of the recently arrived immigrants who worked there.

Mr Tom Durkin, chairman of Brent Trades Council, and Mr Jack Dromey, its secretary, said the council said the company was forcing the immigrants to pay low wages for long hours in poor conditions. Because of that, many immigrants in north-west London had backed the strikers.

Mr Durkin said: "Grunwick employs mainly West Indian and East Africa Asian workers. In some works they are employed in trade union organizing and because they are inexperienced it is easier to exploit them because they do not know collectively as a unit to force demands and take them management."

Lord Justice Scarman, in giving the judgment, said if he meant there was black exploitation Mr Durkin said because low pay and long hours throughout there was no black exploitation.

Lord Justice Scarman said whether there was any white recently arrived grants who might be terribly vulnerable."

He said that Mr Durkin said that they found them hours and the conditions acceptable. It was impossible, that new a strike for the release of their industrial rights.

Mr Dromey described the Brent Trades Council with the Association of Industrial Executive, the Computer Society (Apex) and a union involved in the dispute set up the strike organization.

## Lie-in patient wins tussle over operation

From Our Correspondent  
Ketterling

Mrs. Rita Ward, who occupies a space bed at Northampton General Hospital on Saturdays had a gall-stone operation last night. The condition of Mrs. Ward was such that she could not move until she was operated on, was said to be satisfactory.

Mr. John Chapman, the surgeon concerned, said he had decided to operate on Mrs. Ward at 10 o'clock, and he would get the hospital off the hook. He added: "I should like to have the operation of Mrs. Chapman's condition is one-off affair. If anyone else acts in the same manner I shall refuse to operate."

He heard that Mrs. Ward, member of the N. Soc. of Workers' Party, was in pain, but rejected her sister's offer that she had been waiting for the operation for 18 months.

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## Fly the flag.

## EEC accepts Britain's total ban on herring

**Belvoir**

Our Correspondent writes from Belvoir:

Members of the Vale of Belvoirshire, promoting their campaign mining proposals in the latter a National Coal announcement yesterday against one of the three collieries.

Villages selected for the Rose, near the centre Vale, Sahby, near Grantham, and Asfordby, near Loughborough.

Miners' sites, Mr. Davies, National Coal member responsible for working proposals, to work collieries, said the social impact of such had been carefully considered and the board hoped to be kept to a minimum.

mining excavations would not be back the ground because of the hazards, mainly from rain.

added that the board instructed its staff on planning approval for the development of offield with the intention of splitting them to local authorities.

Christopher Tizard, local Belvoir Protection said an area about the city of Nottingham would be a waste if mining were to commence and a coal-wast at the bottom of a cause noise problem.

Coal board plans, page 4

From Michael Harnaby Brussels, July 18

In an unexpected breakthrough seen tonight, EEC agriculture ministers agreed to endorse Britain's unilaterally-imposed ban on fishing for herring, at least until the end of September, and also approved other fish stock conservation measures proposed by the European Commission.

Earlier, all hope of agreement appeared to have faded in the face of the insistence of the Danes, backed with varying degrees of vigour by most other member states, that limited herring fishing should continue. Both Britain and the Commission maintained that any fishing at all would threaten the herring stock with extinction.

Spending for the Government, Mr Bruce Milian, Secretary of State for Scotland, made clear that Britain would continue its unilateral ban if there was no agreement.

The matter was eventually determined by a show of hands, with the Danes being outvoted eight to one in favour of a Community ban on North Sea herring fishing until the end of September.

Mr Milian told journalists after the meeting that he had asked for and received an assurance from the delegation of the Council of Ministers that Britain would be within its legal rights in continuing its own herring ban beyond September if there was no Community agreement to do so.

Originally, the Commission had proposed a ban on herring fishing until the end of September on the basis of scientific evidence showing that the North Sea herring stock had declined over the past 10 years from 200,000 tonnes to more than 300,000 tonnes. The spawning stock is put at 150,000 tonnes.

Only the British and the Irish were prepared to accept a ban of this kind. However, the ministers were able to agree on another Commission proposal for an indefinite ban on "industrial" fishing for herring, to make fishing possible throughout all Community waters.

The ministers also agreed to prohibit the use of industrial fishing craft outside EEC waters. Partly to offset the shortage of herring arising from these various measures, the Council also agreed to halve customs duties on imported herring.

The commission is to consult with the Norwegians and the Swedes on extending the herring ban to cover the Skagerrak which lies outside EEC jurisdiction. Off the west of Scotland limited fishing for herring was permitted until the end of the year.

In another move, the ministers agreed to forbid fishing for Norway pout in an arbitrary band between latitudes 56° and 60°N and longitudes 0° and 4°W. The ban will run from September 1 until October 15.

Norway's problems, page 15

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## Family doctors demand a

**do pay increase**  
doctors yesterday demanded an 15 per cent pay increase when two ends. The leader of their com- to the British Medical Association's ce in Glasgow said that if no able offer was made action that paralyze the National Health Ser- be taken in the autumn. Page 2

**ining Street goes**  
ne record  
ning Street has issued its first ord- statement under an agreement with the Parliamentary lobby for the 1977-78 session. The Prime's press secretary, said ministers for several hours, but declined that was discussed. Page 4

## Western reporters allowed in Tibet

Foreign journalists allowed to visit for the first time since China's 1949 Dalai Lama's theocratic rule, found a land from which the Dalai vanished. The holy city of Lhasa, a spartan Chinese frontier town, there are schools, growing into prosperous communes

**Social work contr**  
Work on a discussion document that says the Party should make social work a profession is almost complete. The main proposals is a plan to the national council that would have power to suspend social workers

**Blow to archaeol**  
No further government funds available for remote archaeology. Some excavations may have to be done.

## Aid for foundry

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## HOME NEWS

# Family doctors threaten action to disrupt health service if 15% pay demand is not met

From John Roper  
Health Services Correspondent  
Glasgow

Family doctors yesterday demanded an interim 15 per cent pay rise as soon as phase two ends. They threaten to take action that would cripple the National Health Service unless a satisfactory offer is received.

At the general practitioners' annual conference, in Glasgow, the doctors carried a resolution to the British Medical Association's general medical services committee motions calling for a scheme of selective sanctions.

It would include a levy or surcharge on patients and the withholding of national insurance sickness certificates.

Patients surcharges mentioned in the debate were £1 for a consultation and £2 for a visit. Dr R. A. Keable-Elliott, chairman of the BMA's general practitioners committee, said that if the doctors' independent review body failed to make an acceptable award, or the Government decided to implement an appropriate award, enough of the 23,000 general practitioners were likely to take action in the autumn to threaten a break-up of the health service.

At the end of the meeting, at which delegates accepted their leaders' advice to take no immediate action but to exhaust all possible procedures first, Dr

Keable-Elliott said: "There is always a danger that the Government may think that we are bluffing. But what is at stake is the health service. If they think we are bluffing, they will find out."

At their recent meeting with the Prime Minister, Dr Keable-Elliott told the meeting, they had got no sympathy. Mr Callaghan had said that he was not interested, and if the doctors had fallen behind nothing could be done until the next award next April.

Dr Keable-Elliott said no sanction could be produced that would resolve the issue, cause no harm, hurt or discomfort to any patient, and yet bring the Government to its knees in 48 hours.

No one wished patients to suffer. But if the Government would listen only to "muscle" and would not reward doctors for doing their job well and efficiently, the profession must think again. They would have to make sacrifices and, to his mind, there would be difficulties and troubles for patients.

"But time is running out and we are very near the brink. If sanctions are necessary, I shall not hesitate to ask for your full support," he concluded.

Dr Keable-Elliott, who was given a standing ovation, said that to bring general practitioners' pay to a level to re-

store living standards of 1975 would need an award of 60 per cent by next April. That was obviously not practical and he pointed to the need for an interim award.

Today the medical profession was 10 per cent worse off than comparable professional groups and family doctors were 15 per cent behind. In general the working man's standards had fallen in comparison by 6 per cent, while doctors' standards had fallen by 23.5 per cent.

"Some of that was due to the 'over-time game' by which workers made up basic pay. It was a way in which the income policy had been broken. If the Government wanted the doctors to play it, their present demands would look like peanuts. Other professional classes had been able to get around pay policy by changing jobs or applying for the same job under a new name."

A phase three income policy was acceptable to doctors only when those who were behind had caught up. He thought doctors were a special case.

If the same amount was spent next year on the health service but doctors got more at the expense of new drugs, equipment or staff, it would not be inflationary. "It is better to have the NHS with a contented staff in bad buildings than a discontented staff in new buildings."

Mr Ennals was challenged by Mr David Hobson, director of Age Concern, for old age pensions could not be reviewed at least twice yearly. Mr Ennals replied: "We have some three million supplementary pensioners. We have to be realistic, individually, and collectively, at each reviewing."

That took 20 weeks and involved local office staff in a general review. Regular six-monthly reviews of the department staff permanently increased for this purpose would then be an unnecessary and administratively expensive task.

Mr Ennals said one of the biggest changes facing Britain over the next decade would be the growth in the number of very elderly people.

"By 1986 there will be approximately 20 per cent more people aged over 75 than there were in 1976. By 1996 there will be over 40 per cent more people aged over 85 than there are now."

By 1996 the number of over-75s would have risen from 2,400,000 to nearly three million.

"By the year 2001 it is projected that one person in every 63 in this country will be over 85, compared with one in 104 at present," Mr Ennals said.

The resource consequences of this are enormous. The average person aged 75 or over costs the health and personal social services seven times the cost of a person of working age."

In a letter to Dr Grey-Turner, secretary of the British Medical Association, and Sir John Richardson, president of the General Medical Council, Mr Ennals said he had hoped to introduce a Bill dealing mainly with the constitution of the GMC in the present parliamentary session. That had not been possible because of the current difficulties in the legislative programme.

## Mr Ennals says big awards harm the aged

Excessive wage increases for miners and doctors would damage the battle against inflation, said the Secretary of State for Social Services, told the annual meeting of Age Concern in London yesterday.

Departing from the prepared text of his speech, he said: "We should like to say to the miners and the doctors that if they ask for something more than the country can afford it will be at the expense of the country as a whole and, I would say, of elderly people in particular."

After the meeting he said he could not comment in detail about the doctors' claim for a 15 per cent rise when phase two of the pay policy ends. But he added: "I hope good sense will prevail."

Mr Ennals had told the meeting that a reduction in the retirement age for men to 60 was out of the question. "It simply cannot be afforded," he said. "It would cost another two billion pounds a year extra."

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In a letter to Dr Grey-Turner, secretary of the British Medical Association, and Sir John Richardson, president of the General Medical Council, Mr Ennals said he had hoped to introduce a Bill dealing mainly with the constitution of the GMC in the present parliamentary session. That had not been possible because of the current difficulties in the legislative programme.

## Ford investment 'not matching UK profits'

By Tim Jones  
Labour Reporter

Unions representing 57,000 hourly paid workers at Ford will be pressing in October for a minimum 15 per cent pay increase, which, coupled with other benefits, would add well over a fifth to the company's wages bill.

80-page claim was submitted to the company on Friday, and indicates clearly the company's difficulties in attempting to limit rises to 10 per cent. It was sent to workers in profitable key industries.

The unions, led by Mr Mosyn (Moss) Evans, general secretary of the Transport and General Workers' Union, base their demands on the conviction that the company can meet them "down to the last penny."

The question of profitability will be paramount in the discussions. In a significant development, the unions commissioned a report on the company's performance from the City stockbroking firm of Phillips and Drew, which demonstrates differences in the company's accounts.

The unions asked how in its 1976 accounts the company could show £50m profits under conventional accounting and

only £5.6m in current cost accounting.

Mr Martin Gibbs, senior research partner in Phillips and Drew, said: "The unions wanted to know which figure was more relevant. We came up with a more relevant figure: £27.6m post-tax profits. The unions then found it helpful to be able to say that profits of £5.6m were understated."

That understatement apart, the unions alleged that the workers' sacrifice of real wages has enabled Ford to pile up unprecedented profits without a corresponding increase in United Kingdom investment.

The claim states: "The pay restraint of the last two years was intended as an instrument to help renewed investment and development. It was not there to generate profits and reduced spending on development."

In 1976, the claim says, capital expenditure by the company amounted to only two fifths of the 1970 peak. "It is time that the company's responsibility and restraint that organised labour has shown was matched by equivalent social responsibility from industry."

The claim is not only about pay. It seeks a wide range of benefits, varying from a reduction in the working week to a pension scheme, disclosure of

information and longer holidays.

In his introduction to the claim Mr Evans, referring to the shorter week, says: "This, we believe, will create more employment at Ford, as well as in the long-run improving productivity in the company."

After outlining the benefits that would accrue, in the opinion of the unions, from an eventual reduction in the working week to 35 hours, the statement adds: "It can be seen as compensation for the repetitive and mechanical nature of much of the work."

"There is simple evidence to show that repetitive assembly line work results in increased stress and together with working 10 hours and does result in increased absenteeism, sickness, labour turnover, and defects in work quality."

The claim paints a bleak picture of men working in confined spaces, with the aid of oxygen, repetitively drilling holes in car shells.

A written report in 1973 by Dr James Allardice of the company pointed out the exceptionally high levels of stress endured by the workers. It stated: "The report was never published and Dr Allardice soon found alternative employment."

Ford is a multinational company and the unions are increased by its alleged refusal to supply details of international operations.

The claim concludes: "This claim is a test case in the renewed development of collective bargaining."

Ford, which was paying an assembly-line worker an average of £71.67 a week in 1976, is examining the claim.

The claim covers the following points:

Consolidation of earnings-related payments.

A minimum of 15 per cent wage increase, as a contribution towards parity with Ford German workers and a recognition of skill and responsibility.

A 21-hour reduction in the working week for all workers, without loss of pay in 1977, as a step towards achievement of a 35-hour week.

Shortened one-third payment for all holidays.

Extra holidays for service. A pension scheme less favourable than for staff employees. 80 per cent of full pay for all leave.

Full pay for sickness after five years' service. For payment to those workers whose temp of work is determined by line-working.

For adjustment to premium payment.

This agreement (1977) to run for a period of not more than 12 months.

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## Icy retort to Brussels bureaucrats

British ice-cream makers yesterday scorned the terms of a proposed EEC concession that would allow cheap imports of "ice cream" products made without cream.

The concession, offered by the European Commission on Friday, is to be debated by EEC farm ministers today.

The Ice Cream Federation, which represents makers of most British ice cream, called the proposal another trick to deceive United Kingdom consumers.

Lyons Maid said: "Whatever new regulations the Brussels bureaucrats cannot slide through in one way they try to wriggle through in another using the consumer as an excuse, but always for the benefit of the European farmer."

The commission called originally for a ban on labels containing dairy names on foods containing no dairy products.

After angry responses from British companies the commission then proposed that to qualify under EEC rules for the description "ice cream" the product would have to contain half its weight in butter.

"That would cost consumers more than £4m," the federation said.

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## Three Tyndale staff lose dismissal pleas

Three of the teachers in the William Tyndale Junior school lost their appeals against dismissal yesterday.

A staff appeals committee of the Inner London Education Authority upheld a tribunal decision that Mrs Dorothy McColegan, Mrs Jackie McWhirter and Mr Steven Felton were guilty of indiscipline for their part in the dispute at the school in 1975 and should be dismissed.

The committee, headed by Mr John Branagan, adjourned until Wednesday the hearing of appeals by Mr Terence Ellis, the headmaster, and Mr Brian Haddow.

After the hearing the three said they would take their case to an industrial tribunal.

The appeals committee was made up of Mr Branagan and two other members of the majority, Mrs Joyce Bates and Mrs Margaret Morgan. The remaining two were Conservatives, Mrs Muriel Gumbel and Mr Thomas Ham.

In a statement to the committee, Mrs McColegan maintained that the school was a political party, and that the school was a political party, and that the school was a political party.

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## Inclusive holidays to cost less

By Patricia Tisdall

Cuts in the price of inclusive holidays were promised by the Association of British Travel Agents yesterday if the Government abolishes its air travel reserve fund levy. The 2 per cent surcharge, introduced after the Cyprus crisis in 1974, has built up a fund that the trade believes is more than adequate.

The association said yesterday that it had been fighting for a reduction in the levy for some time. The fund is intended as a second line of defence to the Civil Aviation Authority and the association's own bonding schemes.

Since 1975 tour operators have been obliged to add 2 per cent to the cost of inclusive holidays and advance booking charter travel fares.

In most cases the levy has been charged as an extra on the final bill. That will disappear from October 1 if a statutory instrument tabled in the Commons yesterday is approved.

Summer inclusive holidays in Spain, which accounts for more than three fifths of sales, should in any case be cheaper because of the peseta's devaluation of about a fifth.

Mr Francis Higgins, assistant managing director of Thomson Travel, largest of the groups, has said that the company has 30,000 unsold Spanish holidays. He did not rule out the possibility of extra-price incentives to take up excess capacity.

Heat-loss survey

Nearly half of Britain's houses with gas central heating have no loft insulation, according to figures given by Mr Cunningham, Under-Secretary of State for Energy, in reply to a parliamentary question yesterday. These unheated lofts totalled seven million.

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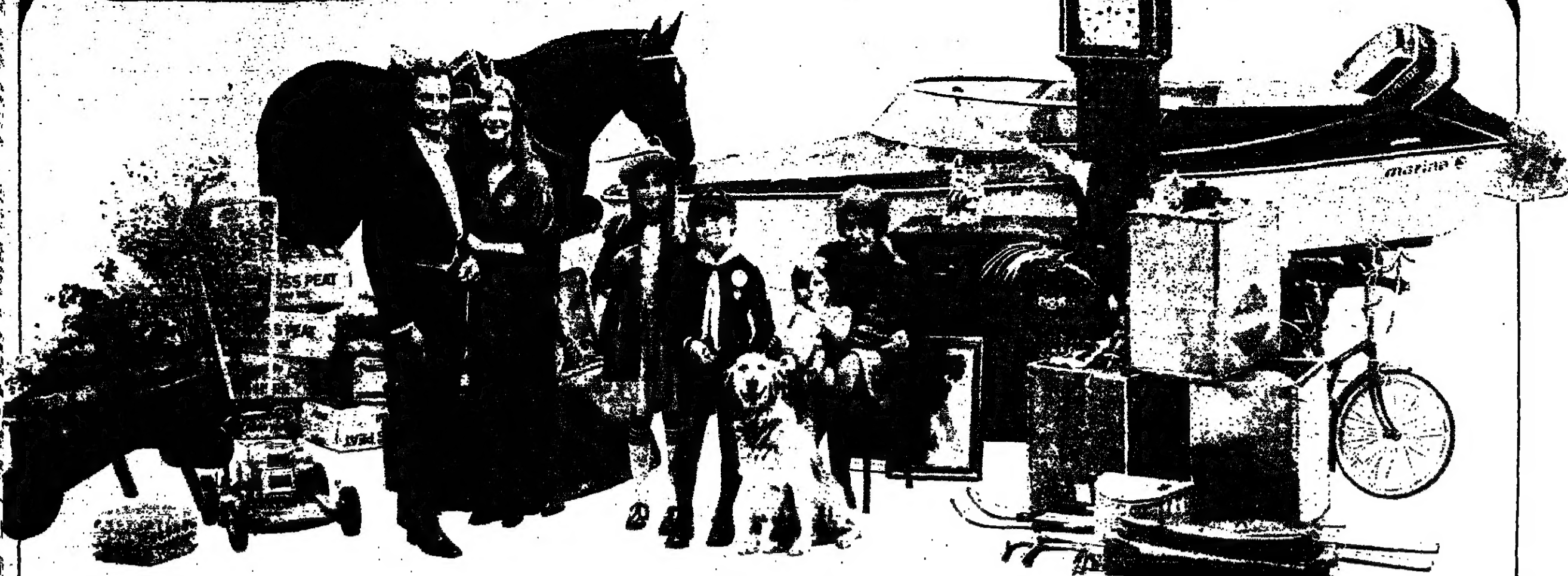
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CITROEN CX SAFARI



## UNTIL NOW THE CAR YOU NEEDED WASN'T ALWAYS THE CAR YOU WANTED.

IT IS quite obvious that only a very big, very tough estate car would be able to handle the type of family shown above.

However, what is needed isn't necessarily what is wanted. Because the trouble with the typical big estate was that while its vast load capacity would draw forth gasps of amazement, the rest of the car drew forth comparisons with tanks.

But with the CX Safari, Citroen have changed all that. Because it is not merely a work horse. This estate is a pleasure to drive.

Yet even without its aesthetic appeal, the Citroen Safari would still have few equals. On opening the rear cargo door, you are confronted by 75.16 cu.ft. of luggage space, with the rear seat folded down. As might be expected, a cavity this large can swallow a vast amount of tea chests, furniture, fertilizer bags or whatever.

And thanks to the Safari's extended wheelbase, even long loads like grandfather clocks can be carried easily. The extended wheelbase also means that leg room in both front and rear is more than long enough for even the lankiest legs to stretch out in comfort.

### THE COUNTRY ESTATE YOU NEED.

Yet even when the Safari is loaded up with nearly  $\frac{1}{2}$  of a ton of impedimenta, it still handles like a thoroughbred. This is due in no small part to Citroen's unique self-levelling hydropneumatic suspension system. Hydropneumatic suspension spreads the weight of the load evenly throughout the car, so that it sits level on the road whether it's fully loaded or not. As a result, handling and steering remain impeccable at all times. The self-levelling suspension also makes for easier towing, as the tow bar remains at a constant height from the road. As a result, your horse-box, caravan, motor-boat or trailer won't swing wildly about. And neither, of course,

will the tow bar hit the ground on sharp hills and dips.

And for those rough country journeys to a favourite trout stream or grouse moor, the hydropneumatic system once again comes to your assistance. The suspension can literally be pumped up by the use of a lever beside the driver, thus increasing the Safari's ground clearance so that it can glide over those deeply rutted tracks and trails.

### THE TOWN CAR YOU NEED.

Meanwhile, back in the concrete jungle, the Safari is equally at home. VariPower steering is standard, a point best appreciated when parking in confined spaces. The Safari is one estate car in which your parking expertise does not depend on the strength of your arms. VariPower steering also gets progressively firmer the faster you go, so long-distance motorway driving is effortless, and totally safe.

Now, what about the Driver.

Looking at most big estate cars you would think that driving is meant to be endured rather than enjoyed. Citroen have always given that philosophy short shrift. So the Safari has performance figures that push other estates well into the carhorse category. A top speed of 108 mph for instance. And all-round ventilated disc brakes for instantly responsive deceleration.

Features such as the advanced disc brakes allied with the Safari's total safety engineering all help to make the Safari one of the safest cars ever built.

### THE LUXURY CAR YOU HAVE ALWAYS WANTED.

The Safari's economy too, will keep the driver smiling. A highly respectable 29.4 mpg at a constant 55 mph for the petrol version, a skin-flint 44.1 mpg with the civilised diesel.

And all the while, both driver and passengers will be enjoying the kind of ride and comfort that many cars thousands of pounds more expensive cannot quite equal. For example, luxurious jersey cloth upholstery is standard. Or, at no extra cost, you can order Targa upholstery (ideal for sweet-loving children and mud-loving dogs!).

And again, at no extra cost, you will find electric front windows, fully adjustable reclining front seats, cigar lighter. And so on, and so on.

With such luxury clothed in a body of such grace, the Safari would not look out of place pulling up outside The Royal Opera House for the first night of "Aida".

Always provided, of course, that you have remembered to unhitch the caravan and remove the two dozen bags of fertilizer beforehand.



CITROEN CX SAFARI

2400 Safari £5,298.93. CX2400 Safari with C-matic £5,569.26. CX2200 Safari Diesel £5,497.83. Prices include car tax, VAT and inertia reel seat belts, but exclude number plates and delivery charges. Prices correct at time of going to press. All Citroen cars have a 12 month guarantee. Please enquire about our Personal Export, H.M. Forces and Diplomatic schemes and Preferential Insurance and Finance schemes. Check the Yellow Pages for the name and address of your nearest dealer. Citroen Cars Ltd, Mill Street, Slough SL2 5DE. Tel: Slough 23808.



## HOME NEWS

## Coal board explains why it wants to sink three mines in Vale of Belvoir

Three new mines under the Vale of Belvoir, in north-east Leicestershire, have been proposed by the National Coal Board. Their output would supply seven power stations along the Trent valley.

Mr Donald Davies, a member of the coal board, said yesterday that the mines, which would be sunk near the villages of Hoss, Asfordby and Saltby, would be developed over 12 years at a cost of about £500m. The value of the coal under the vale was estimated at £10,000m, he said.

The central mine near Hoss should produce three million tons of coal a year, and the others, two million tons each. There would be 30 square miles and employ eventually about 3,800 men. About 45 per cent of that workforce would be skilled craftsmen.

Mr Davies said a fourth possible site at Langar, near Easingham, North Leicestershire, would not be used. A satellite mine would have had to be sunk to supplement the workings of the main pit, he explained.

The most central of the three chosen sites, about a mile and a quarter from Hoss village, had been recommended in a feasibility study last year. It lay beside the abandoned Bottesford-Melton Mowbray railway line, which would be reopened for carrying coal, Mr Davies said.

Shafts 2,300ft deep would be sunk, and production would begin six years after the site work started. Full production would be reached in about eight years and the mine would eventually employ about 1,550 people.

The southern site, on the edge of the coalfield and near Holwell steelworks at Asfordby, would be sunk nearly 2,000ft deep. It would eventually employ about 1,100 people, and its output would be carried by rail.

Work on the eastern mine, about a mile from Saltby, near Grantham, would begin about four years after the start of excavations at the two other sites. Its shafts would be 2,300ft deep, and it would employ 1,150 people. Full production would be reached in about eight years.

The new coalfield would have as its principal seams the Deep Main and Parkgate, together containing about 290 million tons of recoverable reserves.

Important seams in the east would be the Top Bright and Dunstall/Waterloo (160 million tons), and the remaining coal was in the Blackshale (50 million tons) and the Cinerhill Main (10 million tons) seams.

Subsidence was not expected to be a serious difficulty but the board would make good or pay compensation for damage in accordance with subsidence law and its own code of practice.

Mr Davies added: "If this development goes ahead we



The Duke of Rutland, a leading campaigner against coal board plans, outside his home, Belvoir Castle, which stands in the centre of the proposed 90 sq mile coalfield.

recognize that we shall bear a heavy burden of responsibility in ensuring that the constructive criticism which has been, and will continue to be, voiced, is taken into account in order to minimize the impact of mining on local communities.

"We acknowledge the apprehension of some of the residents living in the pleasant rural areas of the coalfield, but we repeat our assurance that, if its development is authorized by Government, the best architectural, landscaping and engineering techniques will be employed to minimize intrusion and disturbance and to reinstate agricultural land."

In choosing the mine sites the board's investigators had considered both surface and underground conditions, and what would have been ideal sites on mining grounds had been rejected because of environmental considerations.

More than 80 boreholes had been drilled, and the investigation team had decided that drift mines or sloping tunnels were not feasible. Thick, water-bearing strata at depth would make it impossible to guarantee the safety of such mines.

Because of that, each mine was to have two vertical shafts, one with a 200ft wider tower for coal and the other, 150ft high, for men and materials.

Despite their greater height, tower-mounted winders were recommended because they allowed the installation of friction winders with four or six winding ropes instead of the single rope of the conventional ground-mounted winder.

That made it possible to accommodate safely the large payloads required without additional coal winding shafts on the same site, Mr Davies explained.

He said there would be one ton of waste to every three tons of coal, and it had been decided that tipping would be done locally with progressive restoration. The tips themselves, each requiring about 80 acres, would, where appropriate, screen colliery sites.

Over the years each mine site would tip on several hundred acres, but not more than 100 acres would be in use for tipping on any one site at any time. Trees would be planted at an early stage as additional screening.

Mr Davies said the development of the Vale of Belvoir coalfield was necessary to increase national coal output and to help to provide replacement capacity for the output that would be lost when coal reserves in other areas were exhausted.

The proposed mines, Mr Davies said, were planned to achieve higher productivity than the best existing collieries and would provide job opportunities for local people, including school-leavers, and specifically for many Leicestershire and Nottinghamshire miners working at collieries that were nearing exhaustion in the 1990s.

Details of the coal board's proposals are being given to all local authorities and interested organizations, and a special newspaper supplement is being distributed to householders in and around the new coalfield and to every mine-worker in the four neighbouring coal board areas.

Mr Davies said it was estimated that eventually about 3,500 houses might be required by employed staff at the three mines. Permanent staff, as distinct from contractors' labour, would not be needed for several years, but it was the board's view that mineworkers moving into the area should become part of existing communities.

The board recognizes the anxieties of local authorities about the social and financial impact of increased population and would provide help to overcome these problems, he said.

## Ulster may be first on enforced seat belts

From Stewart Tindler Belfast

Legislation to make the wearing of seat belts compulsory for drivers in Northern Ireland may be brought in ahead of the rest of the United Kingdom after the publication yesterday of a report on Ulster drivers. The report shows that the chances of being killed in a road accident there are double those of anywhere else in Britain but fewer than 15 per cent of drivers and passengers wear seat belts, against 40 per cent on the mainland.

Time and again in recent years safety organizations and police officers in Ulster have given warnings that road accidents remain the single biggest killer than the combined efforts of those involved in the troubles. The report of the Road Accident Study Group, set up last year by the Northern Ireland Department of Environment, points out that since 1969 2,573 people have been killed on the roads, against 1,760 from endemic violence.

It shows that in a table of 11 Western nations Ulster is second only to the Irish Republic in the number of deaths a thousand vehicles and second lowest in terms of the number of vehicles to every hundred population.

It is made clear that Ulster's general level of violence has affected drivers' attitudes and caused a marked contrast from the other. For example, it seems to be widely accepted that there is general cynicism in the province regarding law and order.

The emphasis on fighting violence has meant that the RUC's traffic department numbers only 200, and the lack of police resources has encouraged a public view that police surveillance has decreased, which means that drivers are prepared to take more risks.

Report and recommendations of the Road Accident Study Group (Department of the Environment, Northern Ireland).

## Nation's image abroad still in expert hands Independence seen as crucial for the future of British Council

When it received its royal charter in 1940 the British Council was charged with the task of promoting abroad the culture, institutions and people of the United Kingdom. In 1977 its role is still the same, although it has adopted a humbler and less chauvinistic approach more in keeping with the uncertain spirit of the present age.

It now has a budget of £75m, employs a staff of 4,245 and will attract for next year 30,000 people to come to Britain this year.

It is planning the first big British cultural tour into the Middle East, a British festival in Iran in October, which will feature ballet, brass bands and Shakespeare.

The British Council, like the BBC and the universities, is supported out of public funds and yet independent of government. Most of its money comes from the Foreign and Commonwealth Office and the Overseas Development Ministry.

But its work as Britain's cultural ambassador, undertaken by its offices in 80 countries, is wholly separate from the Diplomatic Service. That is why the council is in a unique position in most other large countries where cultural representation is handled by embassies.

Sir John Llewellyn, the council's director-general, believes that the independence of the council is crucial to its work. Unlike some of its foreign counterparts, it is never seen to be pushing a political or propaganda line. Although some of the council's representatives abroad have had to be given diplomatic status for security reasons, they are everywhere free of official control.

Significantly the Japanese have just set up an external cultural service modelled on the British Council, and the United States is seriously considering whether to create a similar organization for its cultural representation abroad, at

The report by the Central Policy Review Staff under Sir Kenneth Berrill on Overseas Representation is due to be published next week. It is likely to make major recommendations about the future of the British Council. In the first of two articles Ian Bradley reports on the council's work.

presently handled by embassies. The emphasis of the council's work has changed in the last decade from the promotion of all things British to the encouragement of cultural exchange with other countries. It now sees its role as that of a middleman between institutions and people in Britain and those overseas.

The council is setting up a forum for the exchange of information on agricultural education between farmers in Britain and Europe. With the Arts Council it has just embarked on a scheme to bring foreign musicians and artists to this country.

In the past, Mr Geoffrey Tribe, the council's arts director, admits, there was a slight tendency to assume that British culture was naturally best and to ram it down the throats of enlightened foreigners. Now, he says, "We tend to concentrate more on theatre workshops and less on beautifully delivered performances of Shakespeare."

Not that the Bard has lost any of his popularity abroad. The council has just organized an extremely successful tour of East Africa by a group of young actors doing Shakespeare. Julius Caesar and Macbeth, apparently, go down particularly well in countries where coups and witches are still contemporary phenomena.

In organizing overseas tours and exhibitions, the British Council tries to help those who could not otherwise

afford to go abroad. It pioneered visits to Japan by British symphony orchestras and helped to establish the international reputation of the Amadeus Quartet and the works of Henry Moore.

On the whole British pop music is commercially viable abroad and does not need any help, although the council has recently supported a tour of Russia by Cliff Richard.

The promotion of the English language remains one of the British Council's foremost concerns. It runs English courses, both for ordinary people and specialists in many countries.

To teach these full-time staff tutors are supplemented by members of the local expatriate community, ambassadors' wives and natives. The council also runs courses in the United Kingdom for foreign English language teachers.

The council is also active in promoting English literature abroad. It runs 130 libraries which act as a useful shop window for British books, as well as being heavily used for reference and lending.

The council's monthly magazine British Book News brings reviews of newly published books in Britain to the attention of libraries, schools and universities all over the world.

A report on the Japanese market for British books by the council's first full-time books promotion officer, based in Tokyo, is now being sent to publishers at £15 a copy.

The British Council has become much more sophisticated in its work since it was set up in 1924. Sir John Llewellyn notes: "A distinct change from enlightened amateurism to a more professional approach."

The £75m that the British Council is costing the taxpayer this year is certainly money well spent, if it helps to show the world that just what we are more than the sum of our warring pickets and strikers. Next: Charity or profit?

## Petrochemical project 'would stop job-seekers'

From Our Correspondent Dunfermline

The development of one of Fife's largest industries, Marconi Space and Defence Systems, which employs more than two thousand people, may be affected if Shell/Esso gets permission for its proposed £400m petrochemical complex at Rosyth, near Dunfermline, Mr John Sutcliffe, Marconi's advanced systems manager, said yesterday at the public inquiry into the project.

After emphasising that he was speaking as an objector and not on behalf of his company, he said Marconi was providing 270 new jobs every year and had done so for the past five years.

"That means we are providing more permanent jobs than the Shell project," Mr Sutcliffe said that was the sort of industry Fife should be seeking instead of a capital-intensive one providing few jobs and having a severe impact on the environment.

A petrochemical industry in west Fife would not encourage key workers to move there.

## Musicians who took pill 'played better'

Musicians who took a pill to control nervousness in tests held at the Wigmore Hall, London, last month, were reported yesterday to have shown a marked improvement in performance.

"The initial results are very promising," Dr Ian James, chief pharmacologist at the Royal Free Hospital, said.

The pill used in the tests, called an adrenergic beta-receptor blocking agent, was developed a decade ago for treatment of hypertension. It inhibits the production of too much adrenaline, which tends to give shaky hands and a feeling of panic.

The 25 students who took part in the tests were violinists, cellists and viola players, with a tendency to develop a shaky sound.

The manufacturers of the pill say it breaks a circle of fear feeding on itself. Because it does not affect mechanical performance or reflexes, the other tranquillizers, it could be used by people working with machinery.

## Grey patches of law in North Sea oil

A policeman's lot on the North Sea is not an easy one. The grey, unsettled waters down through the patchwork of offshore and onshore blocks equal the Scottish mainland in size. They have a shifting cosmopolitan population of about 12,000 and a fleet of odd-shaped ships, also of many nations, including floating drills, crane barges, pipelayers, and marine hotels.

It is a new and often violent place. Fifty men have died there since the first wells were bored, often as a result of intricate technical accidents. Crime occurs, even in a world from which women and alcohol are excluded. Petty theft, assault and smuggling are dealt with summarily, but there are other areas where the oil industry has prompted new legislation or a desire for it.

Some local authorities, for example, are searching the law books for a reason to assess new rigs and platforms for rates. The revenue from the oil industry is used to support the industry. More recent reports on the legal theme concern American lawyers said to be offering to act for any worker injured while in the employ of an American company and to translate wounds into maximum damages.

The North Sea is producing both oil and an area of law which, according to the police, contains awkward grey

thing within 500 metres is subject to British law but there are many vessels of many nationalities sailing or operating just outside that zone," he said.

Unlike Norway, the British police are not responsible for the safety of the installations but it is not clear to what extent they are responsible for the protection of life and property offshore. In the similarly hostile environment of the mountains the police do carry such a responsibility.

Mr Henderson said that even when a chief constable had responsibility he did not have the resources to handle every offshore situation. The police relied on the oil companies to provide helicopter transport to move the injured. If it was a question of rescue or clean-up after an oil spill the job was handled by other government departments and security was largely a military task.

The industry operates its own security system of discipline. One security officer said the companies paid high wages so as to call the tune. The men accepted the money and had to accept the discipline. The industry was dealt with on the spot and usually very firmly.

Mr Henderson commented: "I believe that anything offshore related out there should be subject to British law. If something happens we want to be able to have the full right to do so."

These allow the police to operate as if the British zone of the Continental shelf was in fact land where the rigs and platforms are concerned. Any

patches. Imagine the hesitation of a British policeman stepping on board a Panamanian-registered, Dutch-owned vessel chartered to an American company operating off Scotland.

Grampian police were in that situation, when they answered a request for help in tracking down a fire-raiser. They got their man but were obliged to hand him over to the captain for punishment as the vessel was operating more than 500 metres from a platform or rig and was therefore beyond British jurisdiction.

The weight of work created by the oil industry has led to the appointment of a liaison officer between the Grampian force and the companies. Chief Inspector James Henderson has studied the three pieces of legislation that relate to North Sea development: the Continental Shelf Act (1964), the Petroleum (Production) Act (1971) and the Petroleum and Submarine Pipelines Act (1975).

"These allow the police to operate as if the British zone of the Continental shelf was in fact land where the rigs and platforms are concerned. Any

## Public protection 'suffers by lack of Bill of Rights'

By Michael Horsnell

The protection of human rights in Britain by Parliament and the courts has been a justifiable source of national pride, but the absence of an enforceable Bill of Rights weakens the effectiveness of that protection, the House of Lords Select Committee on the Bill of Rights was told yesterday.

In evidence to the committee, the British Institute of Human Rights supported Lord Wade's objective in reintroducing a Bill of Rights, to incorporate into domestic law the "human rights" guaranteed by the European Convention on Human Rights.

The evidence was prepared by a working group which included Lord Justice Scarman, Mr James Fawcett, chairman of the Institute and president of the European Commission of Human Rights, and Mr Anthony Lester, QC, former special adviser to the Home Secretary.

Their memorandum says a gap in British protection of human rights is exposed whenever a complaint against the United Kingdom is made to the European Commission of Human Rights for which there is no effective domestic remedy under British law. "But the

case for incorporating the convention does not depend upon the recital of a catalogue of specific gaps: the real gap is wider and more profound," it says.

"The United Kingdom is alone among the 19 member states of the Council of Europe, and different from the United States and many Commonwealth countries in having no enforceable Bill of Rights protecting fundamental human rights and freedoms against violation by public authorities."

"We are also in a minority within the Council of Europe in not permitting individuals to complain to our domestic courts of violations of the convention. But above all we lack any kind of model or framework, in our legal system, to tell us what 'human rights and fundamental freedoms' actually are."

"In short, our human rights and fundamental freedoms are negatively inferred, rather than positively declared and protected."

In a separate report to the select committee, Mr Cedric Thorpe-Buxton, a barrister and member of the institute's board of governors, says the European Convention "has many gross inadequacies and fails to deal with economic and social rights."

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## Plan for theatre company in the North-east

By Our Arts Reporter

Plans for a permanent theatre company to be established in the North-east were announced by Northern Arts yesterday.

Interested groups will be asked to present ideas for theatre development on Tyne-side. The move comes after the announcement last week that the University Theatre of Newcastle, which has been used for independent productions, will close at the end of the month.

The successful applicants will receive financial support from Northern Arts. It said the company it had in mind would be established and permanently based in the North-east, with actors living and working there. It might use a mixture of venues or, perhaps, the University Theatre.

**Dinghies capsized**

Eleven people were rescued by a lifeboat off Eastbourne yesterday after three dinghies had capsized in blustery weather.

## Royal Academy of Music is given room to expand

By Our Arts Reporter

In 1971 the Royal Academy of Music, founded in 1822 and second only to Fife as the world's oldest musical conservatoire, launched an appeal for £550,000 to carry out plans for extensive reconstruction and expansion.

With much of the main works now completed the final bill is expected to be £2.5m, and £1m is set aside to cover all the costs. Lord Goodman, the appeal chairman, will see what has been accomplished when he goes to the academy's prizegiving on Friday.

The academy, which has a new neighbour of Madame Tussaud's, in Marylebone Road, was constructed in 1910. Everything was very antiquated," Mr George Hambling, the academy's director, said. "We had, for example, to put in a completely new boilerhouse."

But even before beginning work on the new open opera theatre, which bears the name of Sir Jack Lyons, who gave £200,000, it was necessary to find hotel accommodation for the academy's students. That was found in Canterbury. It needed little conversion and was renamed Ethel Kennedy Jacobs House, after a former student and professor who gave £100,000 to the appeal.

The appeal had achieved the figure of £800,000 within the first

six months, as work on the main building progressed, teaching rooms taken over as offices reconverted to their original use, student common rooms were improved, the main workshop was built to have their own club and bar.

Much wasted space was put to use, particularly beneath the academy. A new underground library came into being, bearing the name of Henry Wood, whose orchestral scores and parts to complete, about five thousand items.

The academy, Otto Menckner also left to the academy all his personal papers, tapes and films, which are still being sorted out. Besides the new theatre, where the open workshop was built last week, practice and rehearsal rooms, a concert room and a workshop were provided.

Elizabeth-Darke of Gloucester inaugurates the new theatre in October. The stage is one and a half times the size of the old theatre and seats 255, against 127.

"That is not a lot," Sir Anthony Lewis, the academy's principal, said. "The academy, with its great opera tradition, has trained a great number of conductors, composers and players. For the 650 students who train there a superb theatre is essential."

The University Foundation has acquired an expanded lease of

## Sixteenth-century bronze figures sold for £65,000

By Geraldine Norman  
Sale Room Correspondent

A pair of late sixteenth-century bronze figures of Mars and Venus, about 55cm high and attributed to Tiziano, were sold at Christie's yesterday for £65,000 (estimate £10,000 to £15,000). The knowledgeable appear to have considered that the two finely modelled Renaissance figures were more important than Christie's had realized. The buyer was Mrs Elizabeth Young.

Mrs Young, who is the United Kingdom administrator of the African Medical and Research Foundation, says she is buying for a private collection wholly unconnected with the medical profession. Last week she bought the 10 most important lots in Sotheby's sale of portrait miniatures, including a Hilliard at £54,000. At Manselmore she purchased an ivory carving, believed to depict Cosimo de Medici, at £30,000 and a seventeenth-century amber bowl at £24,000.

The price she paid for Mars and Venus yesterday was the highest recorded in the London sale rooms for Renaissance bronzes. She also acquired two sixteenth-century Limoges enamel plaques painted on gresille by M. D. Page, one depicting Venus in a chariot at £4,200 (estimate £500 to £800) and the other, two Roman senators ascending stairs at £5,000 (estimate £600 to £800).

The Christie's sale of works of art made £174,995, with 17 per cent unsold. There were some

casualties among the enamels, where it was demonstrated that one cannot yet rely on achieving Mentmore price levels. There were, however, many high prices.

An Italian bronze table fountain depicting the wrath of Neptune, attributed to Tiziano, Michelangelo and dating from the sixteenth century with spouts fitted to the god's nipples, was sold for £12,500 (estimate £4,000 to £5,000) to David Peel. A limewood relief of Christ and the 12 apostles, 42cm high and 19cm wide, catalogued as Lower Renaissance of the early fifteenth century, made £10,500 (estimate £4,000 to £5,000).

At the Brighton and Hove Engineering, Christie's held an auction devoted to historic steam engines, locomotives and ship models and totalling £82,119, with 10 per cent unsold. A highly detailed model of a surface-condensing reversing ship's compound engine was sold at £2,900 (estimate £2,500).

At Sotheby's a book sale concentrating on theatre material realized £22,220 with 3 per cent unsold. An archive of booking brochures, playbills, programmes and other material relating to the Argyll Varieties, Birkenhead, between 1865 and 1940, went to D. Drummond at £2,000 (estimate £3,000 to £4,000).

A number of institutions were among the buyers. The University of Canterbury paid £220 (estimate £100 to £250) for a group of 180 playbills dating from between 1830 and 1880.

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When the appointment was criticised in the Commons, Mr Callaghan praised Sir Peter's exceptional talents.

The Opposition condemned the manner in which reports had been put about concerning Sir Peter, and tabled a Commons motion regarding that the appointment of Mr Jay should be based on a justifying attack on a public man who could not defend himself.



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WEST EUROPE

# M Giscard makes poll move with pledges on housing

From Ian Murray  
Paris, July 18

"Democratic town planning" has become the first of the election issues to be spotlighted by President Giscard d'Estaing as he starts on the legislative action programme promised in his speech at Carpentras 10 days ago.

He took the opportunity offered by the start of operations by the new National Council for Property Allocation to go to Orleans and set out his housing policy for the future. Housing reform, he said, represented a new "social conquest, a new stage in the fight against excessive social inequalities".

Unveiling his programme, much of which is to come into effect from next January, well before the elections, the President said he was seeking to improve the lot of 220,000 families in rented accommodation by government loans, which will keep down rents.

But he is also concerned that France is lagging behind other countries as a property-owning democracy. At the moment 45 per cent of French people own their own homes, compared with 52 per cent in Britain and 65 per cent in the United States. He wants to see more than half of Frenchmen living in their own homes. "In a modern society private property must be available to everyone".

He detailed a number of measures aimed at speeding the process: help for families with low incomes; speeding up the business of selling homes for those moving to another area;

# Bayeux celebrations place accent on British links

From Charles Hargrove  
Bayeux, July 18

By a strange coincidence of history, the consecration of the Cathedral of Bayeux and the taking of the Bastille occurred on the same date, but the one in 1077 and the other in 1789.

To commemorate the first event, the little Norman town—which has preserved the atmosphere of a nineteenth century provincial capital and is known to millions for its famous tapestry and the D-Day landings—was the scene of a week of uninterrupted festivities, in which the accent was set on the historic links between Normandy and Britain.

The cathedral, built by Bishop Odo de Contreville, the turbulent half-brother of

# Quest for a dangerous cargo raises moral and legal issues

# Italian judge with sunken poison on his mind

From Peter Nichols  
Oranto, July 18

It is three years since a collision in a busy summer dawn sent the Yugoslav cargo ship *Cavtat* to the bottom, three miles off the Cape of Oranto, condemning the town to coexist with a cargo of poison said by some to threaten an ecological disaster.

It was not as dramatic as another summer's day nearly 50 years ago when the *Turks* slaughtered 800 of Oranto's citizens who refused to become Muslims, including the archbishop whose head was cut off with a scimitar as he sat in the splendid cathedral.

The *Cavtat's* cargo, however, included some 900 barrels of lead tetraethyl and lead tetramethyl. The substances, which are added to petrol to increase engine performance, represented a small part of the town's cargo that the ship was carrying, but were quickly seen as a possible threat.

Dr Alberto Maritati, the local judge, has become the central figure in the case. He is handling the inquiry into the shipwreck and dealing with the question of prosecutions relating to pollution.

In January this year, Dr Maritati ordered all the barrels containing the lead poisons to be raised. As the local judge of a town of 4,500 inhabitants, in the deep Italian south he was engaging the Italian state in the task of raising a cargo from a depth of 300ft.

He called in a company belonging to the state's hydrocarbons monopoly, which has so far removed all the barrels that were carried as deck cargo or were on the sea bed. It is now working on the contents of the two holds, the most difficult task.

He has so far spent 2,700m lire (£1.9m) and estimates that the remainder of the work should cost about the same. He offers no explanation for the

Government's approval in March of expenditure of 10,000m lire.

He is disappointed with the lack of cooperation from the Yugoslav authorities who, he says, have underestimated the danger.

He has received a number of awards for his work, however, and takes great satisfaction in seeing the law applied fearlessly with the backing of public opinion. He sees it as a symbol of the way in which power should be handled in a democratic Italy.

The case has provided a lesson for Italy, particularly for the south, he says. People are accustomed to suppose that power is in the hands of important men and, without the backing of such men, nothing can be accomplished. His handling of the *Cavtat* case has brought home to them that the law of the land is a power, too, especially when public consent is behind it.

Dr Maritati was able to take responsibility for an extremely expensive operation because, technically, he is "using the state company as an aid to justice", in the way courts use the police to help them.

He sees his task as seeking to establish the causes of the accident and the real causes of the sinking. He makes this distinction because, he says, there could be a difference.

The *Cavtat* remained afloat for more than five hours after it was in collision with the *Lady Rita*, a cargo ship.

The trial might also produce new facts about the effects of this type of poison. Dr Maritati believes that the danger would come from the damage done to flora and fauna and so, indirectly, to man.

He seems to be suggesting, however, a wider conspiracy of silence, not about the 900 barrels in the *Cavtat*, but about the effects in general of these poisons in various forms.

# Spain poised to apply for EEC membership

From Michael Hornsby  
Brussels, July 18

Spain is likely to lodge an application for EEC membership before the end of this month, it became known here after a meeting between Mr. Roy Jenkins, President of the European Commission, and Señor Raimundo Bassols, head of Spain's permanent mission to the EEC.

Señor Bassols saw Mr. Jenkins for about half an hour to discuss what a spokesman described as "the timing and modalities" of a Spanish application. A final decision on the matter is expected to be taken at a meeting of the Spanish Cabinet later this week, according to informed sources here.

The expectation here is that the Spanish application will be handed over in person on July 28 by Señor Marcelino Oreja, the Spanish Foreign Minister, to Mr. Henri Simonet, his Belgian opposite number who holds the presidency of the EEC's Council of Ministers.

Spain, with a population of 35 million and the eighth big-

gest gross national product in the Organization of Economic Cooperation and Development (OECD), will pose infinitely greater problems of adaptation than the other two Mediterranean countries, Greece and Portugal, which have applied to join the EEC.

Entry negotiations have been under way with Greece since July, 1976, and have made uneven progress so far. Portugal applied to join earlier this year, but negotiations with it began only after the European Commission had produced an opinion on the implications of Portuguese membership, as is required under the EEC's constitution.

Even if the Spanish application is submitted this month, it is unlikely to receive serious attention from the Community until after the summer holidays. In view of this, there is still a possibility that the Spanish might decide to postpone an application for a few months to allow time for Señor Suárez, the Spanish Prime Minister, or an envoy, to undertake a political reconnaissance of opinion in EEC capitals.

# Dutch crisis deepens with new refusal

The Hague, July 18—Mr. Andreas van Agt, the leader of the Christian Democratic Party, today refused a request by Queen Juliana to form a new coalition government in The Netherlands.

The Queen had made the request to Mr. van Agt after the caretaker Prime Minister, Mr. Joop den Uyl of the Labour Party, told her last Friday that he had failed to form a Government.

In the general elections of May 25 the Labour Party emerged as the largest in Parliament.

Mr. van Agt said on Friday he had advised the Queen to appoint a go-between to examine the chances of restoring the Labour-Christian Democratic coalition, because all hope of agreement between them was not exhausted.

Some Christian Democrats have said that a centre-right partnership with the Liberal Party was an alternative to continuing their cooperation with Labour, but Mr. van Agt is said to realise that the majority of two held by the Liberals and his own party would be too shaky for proper government.

An official spokesman said today he could not say why Mr. van Agt had refused the Queen's request.

Queen Juliana is expected to appoint an elder statesman tomorrow to sound out political leaders on forming a cabinet or starting new talks.—Reuter.



Menten house blaze: The mansion of the Dutch millionaire and art collector Pieter Menten was set ablaze last night by a petrol bomb (Our Correspondent writes from The Hague). Mr. Menten is in Scheveningen prison hospital near The Hague suspected of war crimes.

The upper floor of the mansion was destroyed by the fire but some of Mr. Menten's paintings were saved by the fire brigade of the village of Blaricum.

Mr. Menten is accused of taking part in the mass murder of Polish and Soviet

# Concorde delay upsets President

Continued from page 1

maintain a rough parity in armaments while attempting to collaborate without forsaking our respective convictions that one side's system is better than the other's.

He condemned a recent speech by Sir Neil Cameron, Britain's new Chief of Defence Staff, that Nato might have to go to war to protect its supplies. "It would be a major mistake to establish relations with African or Arab countries on the basis of reciprocal threats", he says.

He seemed particularly incensed over the delay in a decision over Concorde's landing rights in New York. "Serious damage has already been done. The United States has always been concerned about its image abroad and in a certain sense President Carter's human rights campaign reflects this concern."

"The Concorde affair has seriously intruded that image for two reasons. First, the fierce resistance against a limited European technological breakthrough appears to be quite out of proportion."

"Secondly, the refusal of governmental responsibility—with the federal authority saying 'yes' and a local authority saying 'no'—and so forth—which may strike some as the expression of democratic institutions hits others as structural weakness."

He said it was time American political leaders took a loftier view of the problem and gave a warning that "a permanent negative decision" on Concorde will trigger a reaction on the French side. "It will be a specific reaction. I have already decided what to do," he said. What that reaction would be he did not say, but he said it would not hurt the French economy.

On the Middle East he said there was a need to reestablish a Palestinian homeland. He failed to understand why Israel seemed unable to grasp that if there was to be real peace "as was achieved between France and Germany after World War II"—then their national security would be ensured.

# Slip-up by gang who seized radio

From William Chislett  
Madrid, July 18

Four political extremists held the chief technician of Madrid radio at gunpoint today, the forty-first anniversary of the beginning of the Civil War, and made him transmit a pre-recorded revolutionary message. But the message went on the air garbled as it was played at double speed.

The activists, two of them women, who said they belonged to Grapo, the extreme left urban guerrilla organization, then left, talking with them the technician, Señor Mario Frigenti, and a porter and leaving behind explosives.

Both men were later released in Madrid and police, defused the bombs.

Señor Frigenti was seized from his home this morning and forced to drive his kidnappers to the radio station. The message, about 12 minutes long, began with the words "Republican comrades" and was presumably designed as part of a campaign of terror similar to that last July 18 when a wave of bombs went off round the country.

Compared to last year, today's fiesta commemorating the outbreak of the Civil War was relatively quiet.

Diehard supporters of General Franco celebrated a Mass for the dictator at the Valley of the Fallen civil war monument 30 miles outside Madrid.

# Blaze in Vienna suspected as work of IRA allies

From Sue Masterman  
Vienna, July 18

A group claiming sympathy with the IRA may have started a fire in a textile store in the centre of Vienna this morning, the police believe. About £150,000 worth of damage was done to Winkler Textilhandel, a shop specialising in British goods.

There have been five incendiary incidents in Vienna during the last year involving British interests. Responsibility for attacks on a shop selling St Michael goods, on a British import leatherwear store, and on the British Council building hours.

where books were damaged was claimed by a group calling itself the *Ami Fasischische Bewegung* (AFB) which expresses support for the IRA.

There have also been incidents, none very serious, involving the offices of South African Airways, the Iberian airline, and on the embassies of Syria and Chile, all claimed by the AFB.

The arsonists, however, could be a very small group whose claimed IRA sympathy is merely a cover, the police believe. But today's fire was the first started while a shop was open or during office hours.

# Corsican fire devastates camping sites

From Our Own Correspondent  
Paris, July 18

Police are investigating a fierce forest fire that swept through a five-mile front near Calvi, in Corsica, yesterday. The fire went through several camping sites and, as tents burst like torches, campers fled in panic.

The mayor of Calvi, M. Xavier Colonna, said today he had no doubt that the fire was started deliberately. In the past few days there have been 25 explosions on the island for some of which the militant Front de Libération Nationale de Corse (FLNC), has claimed responsibility.

# Tough new code on dumping of nuclear waste

From Our Own Correspondent  
Paris, July 18

A new code for surveillance and consultation on the dumping of radioactive waste was agreed by the council of the Organization of Economic Cooperation and Development (OECD) today. Participating countries are obliged by the code to take account of advice on where dumping can be carried out at sea and in what circumstances.

The OECD's Nuclear Energy Agency (NEA) and environment committee will police the code, and regularly update standards. NEA inspectors will check containers transporting nuclear waste and all loading and dumping.

Meanwhile eight doctors in the Drome area have set up an information centre to publicize the long-term genetic dangers of radiation from the Comurhey nuclear plant.

# Stream of lava 1½ miles long

Catania, Sicily, July 18.—Renewed eruptions from Mount Etna, Europe's largest active volcano, have produced a lava stream one and a half miles long, officials said today.

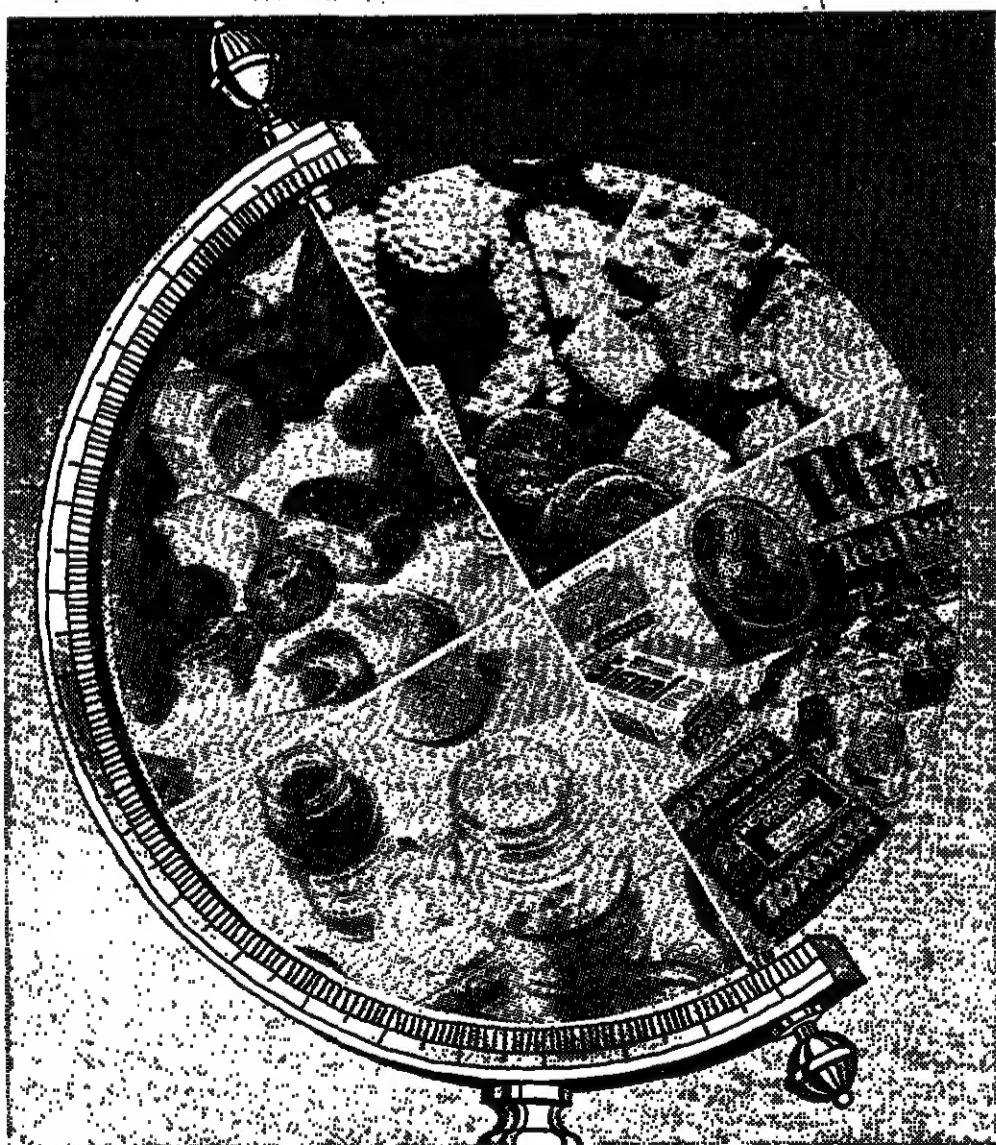
The lava was well away from the mountain's cultivated and inhabited areas, they added.—Reuter.

# Jail hostages released

Trani, Italy, July 18.—Four prisoners who took 11 warders hostage at a maximum security jail here yesterday released them early today after their demands to be transferred to other prisons were granted.

# Death picking flowers

Zermatt, July 18.—A Swiss fell 600ft to his death picking edelweiss above the Anniviers Valley yesterday.



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# Outstanding points from the Report and Accounts for the year ended 31 March 1977:-

- Profit before tax £7.9 million, an increase of 78% over previous year.
- Overseas turnover 72% of total sales of £81 million.
- Better margins on record level of UK exports.
- Continuing recovery in the USA.
- Profit before interest and tax - 21.6% on funds employed.
- £8.6 million capital expenditure programme over two years.

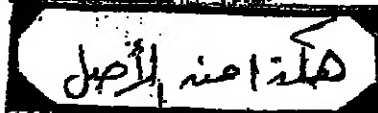
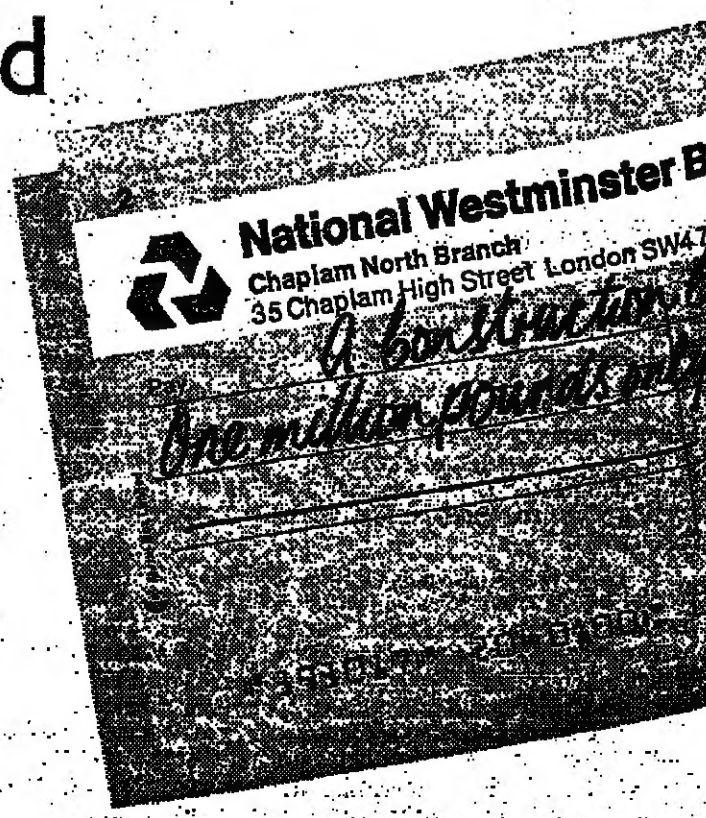
A copy of the Report and Accounts will gladly be sent on application to the Secretary at the address below.



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## OVERSEAS

## Athens to open the first Western air link with Albania

From Mario Modiano

Athens, July 18  
Albania and Greece concluded an air agreement today for regular passenger flights between Tirana and Athens. It is the only air agreement between Albania and a western country.

The only international flights in and out of Tirana now are from Belgrade, Budapest, East Berlin, and Peking via Bucharest.

The agreement, signed in Tirana today, is seen by qualified observers here as part of a sustained Albanian effort to improve relations with neighbouring Greece. The Greek Government is responding to these overtures positively.

The effort coincides with the souring of the relationship between Albania and China, and display of mistrust by Tirana towards the so-called non-aligned group of nations of which Yugoslavia, its other neighbour, is a leading member.

Under the new air agreement, the frequency and schedules of the flights are to be worked out between the two national airlines. Olympic Airways, the Greek national flag carrier, is expected to prefer one return

flight a week from Athens to Tirana, via Ioannina or Corfu in the north. It will have to be subsidized by the state.

Closer Greek-Albanian contacts began earlier this year when there was an exchange of visits between ministers of trade. The Albanian Minister, Mr. Nedim Hoxha, came to Athens in March and signed a trade agreement for transactions worth the equivalent of about £12m.

If ministerial visits are rare between Albania and western countries, it was even more unusual that earlier this month Mr. Mehmet Shehu, the Albanian Prime Minister, received the Greek Ambassador to Albania.

Sources here indicated that Albanian leaders are probably worried by the prospect of events that might upset the balance of power and security in the area, especially after President Tito dies.

The Greek side would be interested in reopening the road link across the Greek-Albanian frontier, because this would greatly help commerce between the two countries.



Frank Maple in court in Athens with wife Sheila, awaiting the start of the extradition hearing.

## Delay over Briton's extradition

From Our Own Correspondent

Athens, July 18

An Athens Court of Appeal today ruled that a British request for the extradition of Frank Maple, but suspended judgment in order to give the Austrian authorities, who also want Mr Maple, 15 days time to produce evidence in support of their application.

Mr Maple, aged 38, of London, faces six charges of theft and forgery relating to an abortive attempt to rob the Mayfair branch of the Bank of

America, and to defrauding Christie's of jewelry worth £250,000. The Austrian police have issued a writ on a charge of armed robbery in a ski resort hotel last February.

The Greek court decided today after a two-hour hearing that it would deal with the British and Austrian applications simultaneously. It rejected objections by defence counsel that the British evidence was inadmissible in a Greek court of law. However, it sustained the argument that the Austrian charges had to be substantiated by evidence, and granted the Austrian Government 15 days in which to produce it.

Mr Maple himself said, "No, thank you", when the presiding judge asked him whether he wished to say anything.

Later, after the ruling, as the guards handcuffed him, he told journalists with a heavy dose of irony: "They are treating me marvellously. They are looking after me admirably well." He kissed his wife, Sheila, who was in court, before being led away.

Legal experts said that if the Austrian Government produces its evidence, the decision whether to extradite him to Austria or Britain will devolve on the Minister of Justice, if the court grants the two applications.

If the Austrian authorities are unable to produce the required evidence, the court will have to decide on which of the British charges Mr Maple is to be extradited to Britain.

## Eighteen years after rebellion was crushed Lhasa opens its doors to Western journalists

## Vanished Lamas of Peking-ruled Tibet

From David Rogers

Lhasa, Tibet, July 18

Flight 491 from Chengdu descended into the rocky valley, skinned over a sluggish river and touched down in a land where 27 years ago there were no wheeled vehicles. The road of the 1950s, 18's engine roared a herd of goats but drew scarcely a glance from the shepherd gathering kindling for a bonfire.

Under feudalism and communism, Tibet has been the legendary "Forbidden land" on the world's highest plateau. But now the doors are slowly opening. These days there are six flights a week to Lhasa and occasionally foreigners are on board.

I travelled here with correspondents of the Italian news agency Ansa and the Yugoslav agency Tanjug. We were the first Peking-based group of foreign journalists allowed into Tibet since the Chinese put down the 1959 rebellion and broke the rule of the Buddhist God-king, the Dalai Lama.

On the 60-mile drive from the airstrip to Lhasa, the car passed primitive stone dwellings and banners whose mud walls bore red inscriptions in the Mongolian characters of Tibetan script. Groups of men were brewing butter-tea in soot-blackened pots on the verges of the dirt track. Some of the surrounding peaks are snow-capped and on the car seat is an oxygen-filled pillow attached to a nozzle. Accompanying to the 11,000 ft altitude is a problem the Chinese take seriously.

An oxygen cylinder stands by each bed in the guest house and a young Chinese woman doctor gives new arrivals regular check-ups despite the fact that back in Peking we under-

went an electric cardiograph, blood and respiratory tests.

For the first 24 hours strenuous action leaves you breathless. The doctor's prescription at nightfall is a sedative, half an hour of oxygen and a bowl of soup.

Lhasa, once Buddhism's most holy city, is now a Chinese frontier town. Before 1959, Lamas crowded the streets and pursued religious life as the main preoccupation. The new Lhasa is a city.

With the rest of China, the population of 220,000 rises to the status of "The East is Red" pouring forth from loudspeakers and there is a growing industrial quarter and schools, but mass education was opposed by the old lamas.

Religion, once the dominating influence of Tibetan life, has been discouraged in the past of virtual non-existence. In a week I did not see a single lama on the streets.

Freedom of faith is enshrined in the Chinese constitution as guiding never fail to point out but an ordinary citizen would today be unable to carry out the full rites demanded by Lamas.

The official explanation is that religion was used by the old order to fetter the serfs and that since the abortive 1959 insurrection the people have gained freedom.

In every building, in every visit to hospital, school, factory and meticulously renovated monastery, three key dates crop up. These are 1950, when the People's Liberation Army marched into Tibet, to liberate an inalienable part of China; 1959, the year of the hopeless rebellion; and 1965 when Tibet became an autonomous region of China and began socialist construction.

The date that matters most

is March, 1959. Simmering unrest led to an anti-Chinese uprising in Lhasa, the Dalai Lama fled to India for safety and Peking accelerated the process of bringing Tibet into line. Until then, the Chinese had generally kept a low profile, building roads, opening schools and trying to impress the Tibetans that the future should be Peking-style development, not feudal Lamasism.

After the rebellion, which was crushed in three days, Lamas came under attack. Monasteries and nunneries were emptied and the people were formed into mutual aid groups—fore-runners of the communes.

Thirty per cent of the cadres are said to be Tibetan but the Han Chinese hold the important jobs. The top administrator, General Jang Jang, is a Korean war veteran and there is never any doubt about Peking's authority here.

Briefings for visitors are invariably given under attack. There is usually a Han cadre to intervene on sensitive issues. The past is depicted as "a hell in the human world". One guide alleged that when the Dalai recited sutras (Buddhist texts) a human heart, liver or arm was sacrificed.

Through irrigation, the country is now said to be self-sufficient in grain and as agricultural research continues crops are grown at ever higher altitudes. More Tibetans can read their own language than at any other time and work has started on a 1,300-mile railway line to link up with China's network.

People still recall the arrival of the first motor car in 1951. It was brought into Lhasa in pieces on the backs of camels.—Reuters.

## Turkey protests to Greece over air exercise clash

From Sian Fisk

Ankara, July 18

Turkey last week sent a stiff note of protest to Greece alleging harassment of a Turkish naval aircraft by Greek jets, the Turkish Foreign Ministry spokesman disclosed today.

He said the incident occurred on Wednesday evening as a Turkish patrol aircraft was flying "over international waters and in international air space", south of the Greek island of Chios, during the Turkish air and naval manoeuvres "Sea Wolf 1977".

Four Greek fighters approached the aircraft and two

of them operated "in a manner preventing the aircraft from carrying out its duty in the area".

The Turkish pilot sent a radio message for help and two Turkish jets took off from the military air base in Bandirma, on the southern coast of the Marmara Sea. The Greek aircraft turned back towards Athens as the Turkish jets approached Karaburun, north of Izmir, according to the Ministry.

The Greek chargé d'affaires in Ankara was called to the Foreign Ministry late that night and warned that "a repetition of such actions will have grave consequences."

## Corfu robbery 'directed' by club guest

From Our Own Correspondent

Paris, July 18

M. Gilbert Trigano, the managing director of Club Méditerranée said that the £330,000 robbery at the club's Corfu resort at the weekend must have been directed by someone staying there.

He said the gang, who killed an employee, had referred during the robbery to an earlier mock holdup at the camp.

## Sri Lanka stocks liquor for dry election

Colombo, July 18.—Long queues formed outside liquor shops today as people rushed to lay in stocks for a four-day drought-imposed because of Thursday's general elections.

No liquor or beer will be sold in Sri Lanka from tomorrow, even in hotels, guest houses and tourist inns. Sports clubs and other organizations will be free to serve members.

"This is the longest liquor sales ban we have ever had", the deputy excise commissioner Mr. Justin Perera Rupes-

inghe, said. The ban was imposed on the advice of police, who believed it would help to check violence, he said.

Since the election campaign began on June 6, eight people have died and 25 were injured in clashes between rival parties.

The island's four million students will begin a four-day holiday from tomorrow because of the election. Most schools are being used as polling stations.

The election—the first in

seven years and also the first to be held under the new republican constitution of 1972—is one of the most keenly contested since the country achieved independence from Britain in 1948.

The main contenders are Mrs. Sirimavo Bandaranaike's ruling Freedom Party, the opposition United National Party and the United Left Front of Communists, Trotskyists and other left groups.—Reuters.

## Somalia denies expelling its Soviet advisers

From Our Correspondent

Nairobi, July 18

A Somali delegation visiting Kenya denied today that Soviet military advisers had been ordered to leave Somalia.

The reported expulsion of Soviet advisers had "no base in truth whatsoever," a spokesman said. "The Somali Government has taken no such decision."

## 800 hear Lefebvre Mass in Santiago hotel room

Santiago, July 18.—About 800 people defied the Chilean Roman Catholic hierarchy here last night to hear Mgr. Marcel Lefebvre, the rebel archbishop, celebrate the traditional Latin Mass in the reception room of a luxury hotel.

It ended with shouts of "long live the faithful archbishop" and the singing of the Chilean national anthem.

During the service Mgr. Lefebvre declared: "We cannot change religion. For the last 15 years we have been well-aware that there are those who wish change. The heart of the church remains the same."

The Pope has accused him of provoking a schism in the church after his refusal to accept reforms of the Second Vatican Council. The local hierarchy had advised Catholics not to attend any ceremonies he might perform.

When he flew in from Colombia, 500 people greeted him at the airport.

There were no moves to ban his visit here as happened in Mexico last week when he was refused an entry visa. But apparently there are plans to prevent his arrival in Argentina which he plans to visit later this week.

The Argentine Ambassador in Bogota informed his French counterpart yesterday that the Argentine government would consider such a visit inappropriate.—Reuters.

## Portisch offer of draw to Spassky's liking

From Harry Colombeck

Geneva, July 18

Only seven more moves were needed in the sixth game of the Spassky-Portisch match here today to convince Portisch that he had no winning prospects in the adjourned position.

Exchanges had brought about a rook and pawn ending that was manifestly drawn despite the fact that the Hungarian grandmaster had a pawn more. He proposed a draw and Spassky at once accepted after 47 moves.

Evian: The seventh game of the other semi-final between Viktor Korchnoi and Lev Polugayevsky was postponed until Wednesday because Polugayevsky was ill.

# CHEVETTE DRIVER WINS THE BRITISH GRAND PRIX.



**VAUXHALL CHEVETTE**



(In his McLaren of course. Result subject to official confirmation)







## Athletics

## Mystery injury that restricts Walker to 'only' 3 min 52 sec

# Six countries to qualify

The six men's athletic teams who have qualified for the European Cup Final Helsinki on August 13 and 14 are: the Soviet Union, Great Britain, West Germany, Poland, East Germany and Israel.

The qualifiers for the women's competition are: East Germany, Great Britain, Poland, West Germany, the Soviet Union and Romania.

The overall positions after Sunday night's elimination rounds were: Men: Crystal Palace: USSR, 129 pts. 2, Great Britain, 128. Warsaw: 1, West Germany, 142 pts. 2, Poland, 135. Athens: 1, East Germany, 141. 2, Italy, 117. Women: Dublin: 1, East Germany, 114 pts. 2, Great Britain, 109. 3, Sweden, 100, pps. 2, West Germany, 82.

The British successes at the finals of the world amateur championships in Helsinki on August 13 and 14 will give a marginal breathing space to the officers of the British Amateur Athletic Board, who feared that they might have to organize teams to travel to the consolation finals in Göteborg (men) and Trineer, Czechoslovakia (women) on August 15. If the British parties had gone there and won, as was highly possible, they would still have qualified for the main final, so the possibility that they might face six months younger," Robert Sinton, honorary secretary of the



**John Walker and Dick O'Quinn: unimpressed by Overt.**

# Seventeen days that shook the world

But she has resisted the temptation to move into the penthouse in a big way in order to concentrate on the javelin, an event in which she has fagged well behind the world champion. She spent her hour after hour, often five days a week, to develop her skill and she deserves all the success she has had. "I'm a big hoopster," she says. "Breathing the British record in the first time was the big psychological hurdle. Once she had done that, she has gone on from strength to strength."

Snyder's first record of the season came at the Midland championships, where she threw 138ft. 3in.

# Fears over Brynmor Williams eased

**Show jumping**

# England will not rush into picking manager

**Peru qualify for**

## Run of injuries main cause of Britain's loss of form

**Show jumping**

## Britain take junior title

**La Tour-de-Pellis, Switzerland, July 18.**—The British junior show jumping team, including the two sons of Harvey Smith, won the European championship for national junior teams.

The Britons, Stephen Vallance, Jean Germany, and Stephen and Robert Smith, stilled the 3,000 spectators in this town just along Lake Geneva from Montreux with two good rounds, to finish with a total of 12 points. The teams from Ireland and France shared second

Germany was on Dark. Val  
Stephen Smith on Alzbama, and  
his brother on Royal Rufus, of  
which he came third in the in-  
dividual European championship.  
The Irish team were John Car-  
(Little Madam), Jim McCar-  
(Easy Girl), Heather Gals-  
(Maguire), and Mervin Wat-  
(Exodus). — Editor.

## Peru qualify for World Cup

Cal., Colombia, July 18.—The play-off to determine the South American qualifiers for the World Cup finals has ended, as predicted: Brazil first, Peru second, Bolivia nowhere. Peru, by beating Bolivia 5-0 here last night, join Brazil on the way to Argentina next year. Bolivia could join them in the last 16 only by beating Hungary, winners of European qualifying section nine.—Reuter.

## Six countries to qualify

The six men's athletic teams who have qualified for the European Cup final in Helsinki on August 13 and 14 are: the Soviet Union, Great Britain, West Germany, Poland, East Germany and Italy. The qualifiers for the women's competition are: East Germany, Great Britain, Poland, West Germany, the Soviet Union and Romania.

## Miss Willmott for three events

Jackie Willmott, a 12-year-old Southend girl is in the England and Wales party for the international youth swimming tournament at Barnet on July 30 and 31. Miss Willmott, the youngest competitor at the national short-course championships in Cambridge earlier this year, will compete in the 200 metres, 400 metres

and 800 metres freestyle events in the international event for swimmers born in 1964, or later. The team is:

**BOYS:** M. Pickering (Hastfield), D. Thompson (Warrington), A. Hewlett (Widnes Central), G. Goulden (Norwich Castle), K. Earl (Newcastle), J. Gregory (Norwich Central), M. Sheldon (Beckenham), I. Ruddle (Spongdon), D. Trenfield (Gloucester), C. Tregent (Barracuda), P. Bridges (Swansea), J. Cawley (Carmarthen), J. Swain (Llanelli), D. Southamton, D. Alden.



# The bright lights taste comes to Telford.

When the Cinzano people decided to bottle their famous vermouth themselves in Britain, they went determinedly about the business of finding the best possible location for their new project. It had to fulfil several important requirements: for instance, it had to provide a pleasant home environment for the valued Cinzano work-force; it had to be in the right situation for a distribution centre; and it had to offer a welcome in the form of assistance and co-operation towards industrial investment—such as Cinzano was proposing.

After a thorough search, they chose Telford—here their UK bottling and distribution complex was

officially opened on 1st July. So now all Britain's Cinzano is being bottled at Telford.

Dr. Eudonio Petrucci, Managing Director of Cinzano (UK), says: "Our decisions on choosing a site were based on many factors, such as location, availability of labour, and price. On balance, Telford offered us the best deal we saw. Telford's assistance—not only from the straight industrial aspects—has been considerable, and I would most certainly recommend anyone considering a business move to look closely at what Telford has to offer."

The trend towards Telford is summed up in Dr Ferrero's comments. So if you're thinking of moving, expanding or just opening—think Telford. It offers a great deal—and a great future. Post the coupon, or contact

**Bob Timmons, Commercial Director**


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## ENTERTAINMENTS

Including the results of the 1977 London Theatre Awards

## THEATRES

**AMERICAN BALLET THEATRE**  
The American Ballet Theatre returns to the Royal Opera House, Covent Garden, with a new production of *The Sleeping Beauty*. The company, led by Artur Schnabel, will perform the full-length version of the ballet, which was first staged in 1941. The production is a collaboration between the American Ballet Theatre and the Royal Opera House, and is a testament to the enduring popularity of this classic ballet.

**THE ROYAL OPERA HOUSE**  
The Royal Opera House, Covent Garden, is presenting a new production of *The Marriage of Figaro*. The production is a collaboration between the Royal Opera House and the Royal Opera House, and is a testament to the enduring popularity of this classic opera.

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## CINEMAS

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## ART GALLERIES

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## THE ARTS

## Marquet, Moholy-Nagy and six Finns

Albert Marquet was born in Bordeaux in 1875. As a painter he became known as one of the Fauves, although his work was even less bold-like than that of other members of the group. His painting has a passive limpidity about it which is pleasant but not very challenging. After fauvism was finished Marquet carried on painting in much the same way. Ports recur frequently as subjects. The mood he chose to portray is rarely always one of early morning or early evening mistiness. There is not much sense of the bustle and noise of a port, still less of the lives of the people there. Looking at Marquet's painting of Maurice Pagnoul's Maritime trilogy and Raimu's magnificent performance in the films made of them. Nowhere does Marquet hint at that density and intensity of living in a crowded city by the sea. What he does give is that sudden sense of deliciously awful melancholy as one leaves one's hotel in Marseilles, Naples or Algiers after breakfast, or for a stroll before dinner. It is a sophisticated, nostalgic view of the world. (He usually worked from postcards and very nice they are, too. But we have come today to expect more of art.)

The Marquet exhibition at the Serpentine Gallery, London, is a testament to the enduring popularity of this classic painting. The exhibition is a collaboration between the Serpentine Gallery and the Serpentine Gallery, and is a testament to the enduring popularity of this classic painting.

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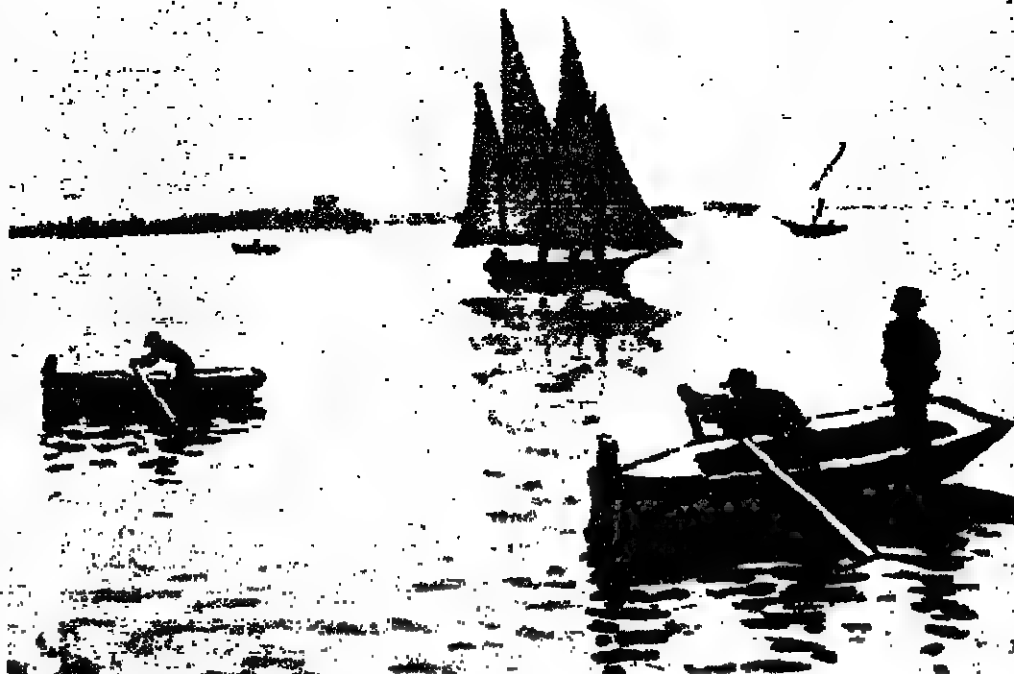
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Albert Marquet: Naples. Le Vellier, 1909

quite strongly represented in contemporary Finnish art. The selection (by the Serpentine) steers between these two extremes, and one misses the sense of what one gathers are fairly fierce stylistic and ideological battles, which is a pity.

Nevertheless much of the work at the Serpentine is highly accomplished. Kain Tapen's biomorphic forms carved from laminated blocks of pine, birch, hornbeam, alder and aspen have a quiet, seeping presence like things dug out of the earth. The work of the painters is Sakari Marila, whose vigorous, energetic slashes of colour reveal figurative subject matter all but dissolved in the strong throbbing of colour against colour. Reino Hietanen's canvases are very skilful trompe-l'œil. There is a double deception. From a distance they look like skilful large drawings of folds of cloth. But when one goes up to them one finds that this is a real cloth collaged on the canvas and then worked over with chalk or graphite. But after a while they grow a little repetitive as do Jackko Steivonen's paintings and drawings of his wife Outi (the drawings are livelier). Inari Krohn paints gently realistic watercolours. They are quite large in size, and Krohn was the only artist whose work was also in the ICA show three years ago. Kimmo Pyykkö's surrealist aluminium sculptures seem to topple over the knife-edge between the macabre and kitsch. The show continues until August 13. Upstairs at the Printmakers' Workshop Gallery

is an exhibition of Finnish graphic art which is more weighted towards social realism.

Moholy-Nagy probably had no more innate talent than Marquet. But by dint of intelligence, an inquiring mind and hard work he excelled as a designer, photographer and theorist. Moholy liked to quote Edison's "one per cent inspiration, ninety-nine per cent perspiration", wrote that "everybody is talented" and "the literature of the future will be the man who cannot take photographs". A variation on this last question can be found in the exhibition of Moholy's own photographs at Saatchi (the photographic gallery at 58, High Street, Edinburgh). Photographs, photocopies, documentary photography: Moholy excelled at all these. Like Julia Margaret Cameron, his developing and printing techniques left quite a lot to be desired; but unlike her he rarely indulged in sentimentalism, although he was far from remaining the tough-minded constructivist in a boiler suit of his early days at the Bauhaus. This is one of the most varied and lively shows by a single photographer: Moholy's range, even with one particular art form, was phenomenal. The exhibition, which is organized by the Goethe Institute and supplemented by additional screens of didactic material by the Scottish Photography Group, continues in Edinburgh until July 23 and will be shown at the Impressions gallery, York, from August 1 to August 31.

Paul Overy

John Higgins

## Peter McEnery: set for take off

Some years ago when Peter McEnery was in Paris filming *Fai tu Raspun* for Robert Hossein he used to go on Sunday afternoons to have tea with Prince Yousouf. In the first instance he was trying to do his own thing, but he was also interested in the French film industry. He was well informed on the arts in France, began to take an interest in the McEnery career, which at the time was firmly rooted in costume movies, and one day announced that he should play in *Lorenzaccio* on the stage.

It was a reasonable enough suggestion, McEnery recalls, "because at the time the French film industry was trying to turn me into a substitute for Gérard Philipe, who had just died. Lorenzo in Musset's play was one of his favourite parts. I looked at the part and found it very demanding. What Shaw who described it as a nice little drama after the first 17 acts, or some such phrase? I thought no more about it until a year when the Royal Shakespeare Company invited me back to Stratford and proposed Lorenzo as one of my parts."

The RSC's version of *Lorenzaccio* which opens on Thursday after a week of previews, is a very long way after Musset. Paul Thompson, who has been flickering with the play since his days at the ICA, has deflated the romantic drama to little more than two hours' running time and has still found room for some songs. Peter McEnery is not too concerned about the much-reduced play, which only last autumn was given a stuporous production at the Comedie Française by Franco Zeffirelli, has had its shape changed considerably.



Photograph by Donald Cooper

"I've been wanting to come back to one of our major companies for some time. It's been quiet, clear to me that only at the National or at the RSC can an actor hope to succeed in challenging roles—and what point is there in going to a tiny one and vice versa? I think the era of the self-indulgent actor has almost disappeared. Most of us are learning to work a good deal harder and to keep in better physical trim—it's a little like athletics where records are constantly being broken because training techniques are constantly being re-examined and improved. You do not win self-respect by mouthing the same lines in the West End for a year."

Peter McEnery's wiry figure and the cautious pauses before answering any question which he has not considered before suggest a good deal of discipline. Perhaps, too, he is trying to prove something by his return to Stratford.

Maybe in a way I am. In 1970 I decided to end my film career for the time being at

and three *Henry VI* plays in the large house and *Tis Pity She's a Whore* and *Lorenzaccio* in the small one. It is typical of the new feeling in the company that I should be first invited for *The Other Place* and then asked to take on parts in the main house, Suffolk, in *Henry VI*, a role I did not know at all, and Orlando later in the season in *As You Like It*.

"The pressure of learning a number of roles and moving from a big auditorium to a tiny one and vice versa might at night may be tiring but it is also invigorating. In the large house you have got to use all your vocal powers to command the audience; across the road you have to project intensity and try to make the spectators come to you. The two techniques can't be more different. I think the era of the self-indulgent actor has almost disappeared. Most of us are learning to work a good deal harder and to keep in better physical trim—it's a little like athletics where records are constantly being broken because training techniques are constantly being re-examined and improved. You do not win self-respect by mouthing the same lines in the West End for a year."

Maybe in a way I am. In 1970 I decided to end my film career for the time being at

least. I had had enough of those articles which dubbed me as the actor who gave Hayley Mills her first screen kiss and I had spent too long sharing with Kellie Tennant in French films with Delon and Beaudoin. I approached both the RSC and the National, but they could offer me nothing. I went out into the regions. I even directed, but gave them up when I found that I couldn't produce that final burst of energy which the producer needs to inspire his cast before the first night—think of the adrenalin Terry Hands needed to stage the *Henrys* on four consecutive nights. I assigned almost a year of my life to making *Cloppenger* for ATV and don't regret a moment of it because the character there reflected my Midlands upbringing and particularly the childhood of my father. Opening up those lockers of memory is one of the most satisfying experiences an actor can have, and appearing in a series of that length is the only type of television which in retrospect looks worthwhile.

"An actor always has to fight against drift. It's too easy to have a pleasant year in which you've done a couple of films and a few *2-Care*, and it simply is not good enough. From 25 until you are 35 you consolidate your craft so that you do most things that come your way proficiently, whatever the medium. Thereafter you should be able and ready to take off."

For Peter McEnery at 37 Stratford looks like being a well-chosen launching pad.

## The World About Us BBC 2

Alan Coren

As any ichthyologist will tell you for the price of a drink, the Asian cave loach is a small, blind fish. The reason it is blind is that there is nothing to see in an Asian cave, a fact borne out by Sunday's documentary about the man who discovered it.

For much of the film, indeed, Mr Smith walked through a qanat, a subterranean Persian canal in which there is even less to see than there is in a cave, except of course when Mr Smith is in it. Why qanats are duller than caves is that there are no loaches in qanats, although Mr Smith originally thought there were.

Things perked up a bit, though, when Mr Smith came topside and stuck his net in a tiny pool outside a cave, to

This notice is reprinted from yesterday's later editions.

## LSO/M. Davies Festival Hall

Max Harrison

Meredith Davies got Sunday's all-Beethoven concert off to an uncommonly good start with the *Leonora No. 3 Overture*. The London Symphony Orchestra's playing in the slow introduction was smooth and careful, yet also created a mysterious effect. And Mr Davies was able quickly to reestablish that elusive mood at several points later. There was some good solo flute playing also, but the off-stage trumpet was rather too assured.

In Beethoven's Violin Concerto, where Erich Gruenberg was soloist, some of the semi-quaver passages sounded merely decorative, which it is not. But there was much alertness in the orchestra's playing, particularly in the solo line, from clarinets and bassoons. Mr Gruenberg has a refined, liquid tone, but this performance was more alert than his previous one, at least, was more satisfying in the shaping of localized events than in its man-

come up with two tiny items which he carried back to the Natural History Museum in a tin. It was at that point that Dr Humphrey Greenwood fell off his stool at the discovery that although one of the items was a mere *ironocypis* *typhlops*, the other was the first cave loach ever found; they naturally decided to call it *Noemacheilus Smithii*.

Flushed with pride, Smith sent immediately left for Persia again to collect more Smithies, from the cave beyond the pool where the loaches, gorged on the bat droppings which are their staple food, live. Alas, it proved to be impossible. No more Smithies returned.

When Mr Smith returned to Kensington, his little namesake had popped its clogs. It was an ex-loach. A sad story, then, yet with its own uplift in these days of waiting for a tin in that tin.

There was, also, a finely contemplative quality to Mr Gruenberg's work later on in this Largo, his lines being most beautifully and expressively sustained. The last movement was rather less immaculate.

It was a programme of generous length and contained with Beethoven's Pastoral Symphony, which Meredith Davies made rather more of a unified whole than the concerto had been. Perhaps the opening movement was a little over-orchestrated in places; after all, according to Beethoven, it represents joyful feelings on arrival in the country. But the Andante ("scene by the brook") was just as well as a bit of bucolic simplicity, and that despite its quite elaborate textures.

## London debuts

The happiest debutants of her week was undoubtedly the smiling Kellie Tennant, at 10 the youngest of five children, none older than 17 from Japan's Yamaha School of Music appearing at the Festival Hall in mid of Save the Children. Her instrument was the Yamaha GX-1 four-key-board electronic organ, which she conquered with sufficient flourish to overcome every prejudice about its synthetic, cinema-type, would-be, or choral range of sonority.

Choosing either this or the piano, she and her four comparably deft companions, Shigeko Taguchi, Mami Imazu, Toshiyuki Torii (the only boy) and Umiko Taniuchi, all played compositions of their own besides improvising individually, or more remarkably, in partnership, on themes submitted by the audience. True, the talent was always derivative, ranging from a popular march by Kellie Tennant inspired by her little brother proudly setting out for a walk with a Rachmaninov-inspired Capriccio by Toshiyuki Torii. Yet music was a natural enough mode of expression for these youngsters to make one wish that Yamaha teaching methods

were more widely known here. Never did the GX-1 itself sound better than when two of them joined with piano in a special jubilee arrangement of *Land of Hope and Glory* to end the programme.

In the recital of songs and operatic arias by Lee Bing, an RCM-trained mezzo-soprano from Hongkong, nothing was more impressive than her close personal involvement in the music. This was just as was of Handel, and notably the indomitable "Veni o figlio" with Geoffrey Parsons equally moving at the piano, as in more overtly romantic arias like Massenet's "Va! l'âme d'homme" and Suss-Suss's "Mon cœur s'ouvre à ta voix". Her own voice rang out warmly and vibrantly whenever the content allowed her to open her throat wide. There were some splendid evening climaxes. Sometimes when more contained, as in *Lieder* by Brahms, her tone lacked luminous clarity and her line the most even, liquid flow. Yet such was her intelligence and musicianship as an interpreter that she always held your ear. A group of English songs by Gurney, Quilter, Bliss and Fauré were winning on every count.

Joan Chissell

## Growing up in a convent

*Once a Catholic*, a comedy by Mary O'Malley, will be given at the Royal Court Theatre from August 5. The official first night is August 10.

This is the author's first full-length play for the theatre, and with it she won the Thames Television Playwright Award in June. It tells the story of a crucial year in the lives of three 16-year-old girls growing up in a convent in Harlequin, a year in which they become aware of the realities of the

outside world; a year during which the mysteries and delights of their sexual awakening come to be at odds with the teaching and conventions of school.

*Once a Catholic* is directed by Mike Ockrent, who was artistic director of the Traverse Theatre Ltd, Edinburgh, from 1973 to 1976. The cast includes John Boswell, Jane Carr, Kim Clifford, Daniel Gerroll, Mike Grady, Pat Heywood, Anna Keaveney, Doreen Keogh, Fiona MacLennan, Jane Page, Rowena Roberts, John Rogan, Lillian Rostkowska and Sally Watkins.

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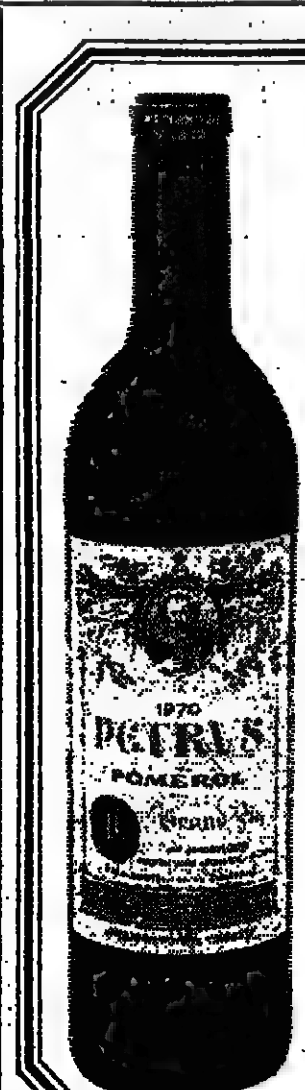
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## The Times Special Reports.

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Field Marshal Lord Carver on the alterations needed in the Western Alliance

Bernard Levin

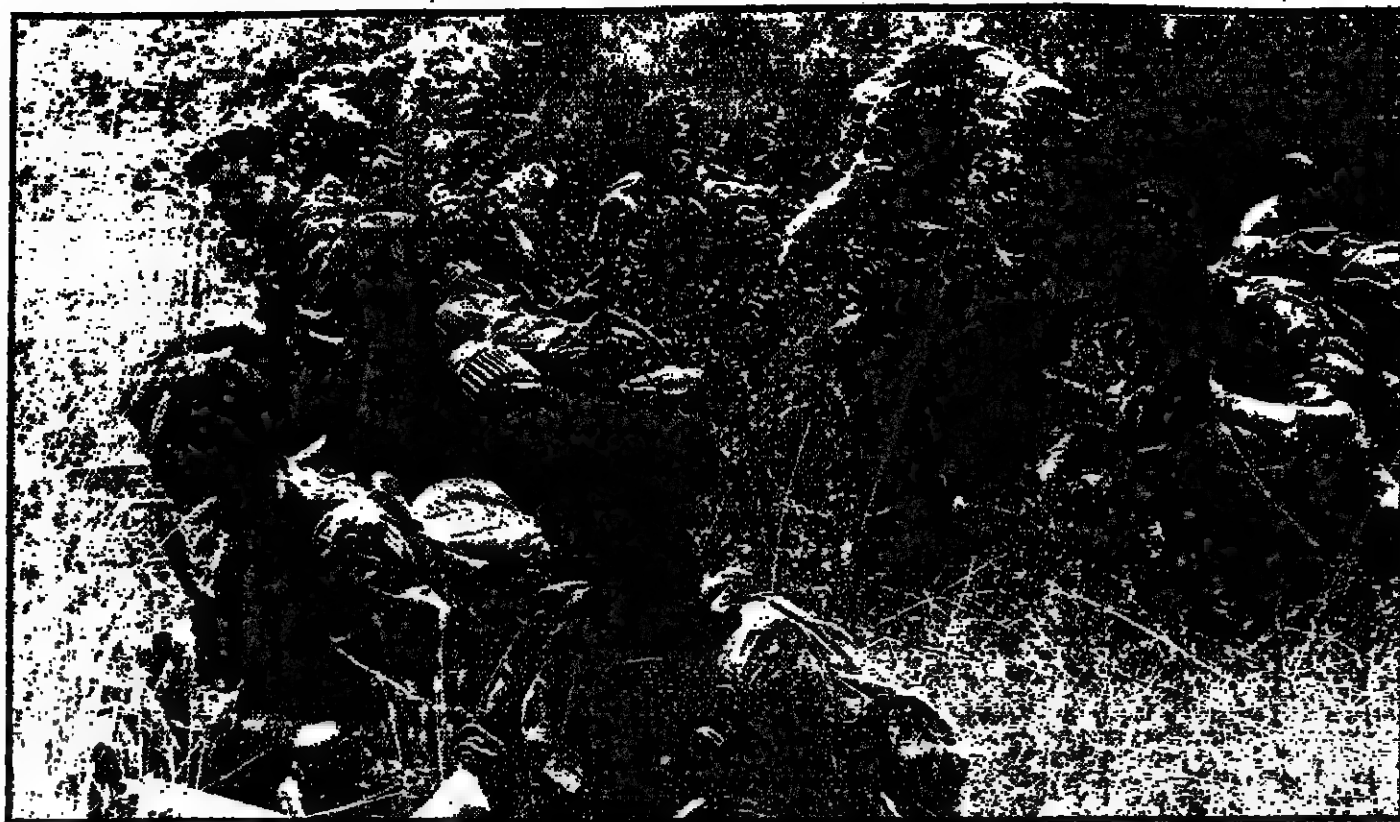
# Will changing the structure of Nato open a Pandora's box of troubles?

With the exception of the changes made when France left, Nato's military command structure has remained virtually unchanged for a quarter of a century, 1952 having marked the adherence of the final three members to the alliance, Greece, Turkey and Portugal. There are both military and political reasons for reviewing its current pattern, although there are also military and political objections to doing so.

Subordinate to the Military Committee, which consists of the national chiefs of defence staff or their representatives in permanent session, are three important Nato Commanders, Supreme Commander Europe (Saceur), who is also the US Commander-in-Chief Europe (CinCeu), Supreme Allied Commander Atlantic (Saclant), who is also the US Commander in Chief Atlantic and C-in-C Channel (CinChan), who is also the British C-in-C Fleet as well as, in another hat, being one of Saclant's subordinates as C-in-C Eastern Atlantic (CinEastlant). Saceur, with his headquarters (Shape) near Mons in Belgium, has three subordinate commanders (MSCs), C-in-C Allied Forces Northern Europe (Afnorth), a British General; C-in-C Allied Forces Central Europe (Afcen), a German General, and C-in-C Allied Forces Southern Europe (Afsouth), a French General. Each of these has a complicated structure of principal subordinate commanders (PSCs), who link in with national command organizations in different ways and in different degrees.

Nobody can deny that this structure is top heavy, and that by any standards, even the United States ones, it is lavishly staffed, particularly at the higher levels. One of the reasons for this is that all the nations which the headquarters serves wish to be represented in all branches of the staff, partly to ensure that their interests are watched, partly for reasons of national prestige and partly to find outlets and experience for their officers. The real nit-gritty staff work and its associated clerical and communication support, however, tends to be concentrated in a smaller circle, particularly among those fluent in English. The latter know this and often resent being the work horses in an overstaffed organization.

The only changes to this organization in recent years have been in the air force field. They have involved the reestablishment of an air force command for the Central Region, subordinate and linked to the headquarters of the C-in-C Afcen, and the acceptance of RAF Strike Command as a Nato headquarters subordinate to Saceur, with the title of C-in-C Ukar.



While Nato troops go on exercise changes in the command structure must be made.

Before the French left the military organization, the command structure of the Central Region was basically that inherited from Western Union, and consisted of the headquarters of the C-in-C, who was French, at Fontainebleau, co-located with those of the Commander Land Forces (German) and the Commander Air Forces (American). Subordinate to this organization was Northern Army Group, associated with 2nd Tactical Air Force, the commanders of both being British; British Army, German and Canadian Army; and Central Army Group, associated with 1st Tactical Air Force, the commanders of both being American and the Forces American, French, German and Canadian Air Force.

When the French withdrew and the headquarters moved to Brunsum, in Holland, the opportunity was taken to integrate all three elements into one joint army/air force headquarters commanded by a German army general with a British air force deputy. The requirement for a greater degree of centralization of command of air operations, exploiting modern methods of control, and the corresponding need to train all the air forces of the region, and those planned to reinforce it, to operate under these methods, led after much heart-searching and discussion, to the re-establishment of a separate air force command, subordinate to and eventually to be located

with that of the C-in-C. The commander is American and, in his United States hat, is also Commander of the US Air Forces in Europe (CinCusafe). This re-organization has had the advantage of escaping from the situation in which all reinforcing United States tactical air force units were automatically allocated to 4th Tactical Air Force, now commanded by a German.

Giving the C-in-C RAF Strike Command a Nato hat as well was partly a recognition of the fact that we no longer considered it necessary to retain national control for national purposes. He already had a Nato hat as commander of the UK Air Defence Region under Saceur and provided air support and forces to all three Nato major commands. The only forces still retained under national command were those, such as transport and tanker aircraft, which cannot be allocated to one or other command without serious loss of flexibility. The change has the great advantage that Strike Command's voice is now heard directly in Nato discussions, of particular importance in air operations from or through the United Kingdom, its air space and surrounding waters, in which the boundaries of all three major Nato commands meet.

These latest changes are not fundamental. Suggestions for more radical ones arise from two sources, the first military, the second political. The military reasons are based

on the development of modern methods of acquiring information about the enemy, disseminating it and being able to exploit it by military action at sea, on land and especially in the air above both. The speed with which this could theoretically be achieved, coupled with the speed of flight and long range of modern weapons systems appears to demand centralization of command of operations at a high level, combined with flexibility in deployment and allocation to tasks.

The fragmentation of Nato's forces and their command structure into national formations and areas, with the associated complication of the hierarchy of command, obstructs the optimum exploitation of modern methods of control. This is particularly true of the Northern and Southern Regional commands and the organization subordinate to them. The military demand, therefore, certainly as seen by the United States, is for greater centralization and greater flexibility in deployment and allocation of tasks. A practical problem is that the introduction of these new methods demands more money and more skilled manpower, which cannot be made available unless economies are made by reductions elsewhere either in Nato or in national organizations.

The political reasons for change tend, on the whole, in the opposite direction. When Nato was first formed, most of

its members were heavily dependent on the United States both for economic and military aid, and were more inclined to be today to subordinate what they might feel to be their national interests and feelings to the alliance, the latter so often being influenced by the wishes of the United States. We ourselves are perhaps an exception, no longer feeling, as we did then, that the security of the Commonwealth was the first call on our resources. France has already left the military structure, while remaining a member of the alliance. She represents the extreme, one hopes, of what is acceptable. Greece has virtually followed her example, although at Brussels and at Shape it is hoped that she will return to the status quo ante. As a result, Turkey is in much the same position in fact, although not in theory. Neither of those countries ever accepted more than a very light touch of the reins of Nato command.

Political developments in Italy and potential ones in France could raise the same sort of problems. Spain is now democratic and, if she applies for membership of Nato, it is very unlikely that her armed forces would accept more than a fairly light touch either. Portugal is *ad gentes*. As far as the Southern Region is concerned, therefore, there is a case for reconsideration of the command structure which would both recognize the

reality that the forces of the nations of the region are primarily defending their own countries and make possible a more flexible employment of external forces which are almost solely American. Our departure from Malta in 1979 could be the spur for a radical change in the maritime command structure in the Mediterranean. The objection to change is the strong one that it could lead to a weakening of the whole Nato command structure and to a tendency to go separate national ways, with the ultimate danger of the disintegration of the alliance itself.

Certainly, if such a tendency were to spread to the Central or Northern Regions, it could have very serious consequences. There the political problems are how to associate France more closely, and the latest pressure from Germany to be given a standing within the military command structure which she regards as consonant both with her military contribution and her national pride in contrast to the Southern Region, the military forces of these regions are inextricably bound up with each other in the defence of the region as a whole. This is as true of the Baltic, Denmark and Norway and the North Sea behind them as it is of the area from the Kiel Canal to the Alps. Integrated allied military command is essential, and any tendency towards assertion of greater national responsibility would be dangerous. In the case of Germany it would also have serious repercussions both among her allies, and even more significantly, east of the Iron Curtain, which would more than counterbalance any military advantage it might appear to have.

Changes in command structure raise such delicate and difficult political problems that the tendency is to push the whole problem under the carpet and leave things as they are for fear of opening a Pandora's box of horrors. But the need to find the money and manpower for the essential new developments in control, combined with political changes, such as the possible entry of Spain, make reconsideration of some revision a necessity. The allocation of responsibility between Saceur and Saclant in the area of the Iberian Peninsula and in the North Sea will certainly be one subject for review. If the late Field Marshal Montgomery were still deputy Saceur, he would undoubtedly be saying, as he did on so many occasions: "This muddle must be grasped." The trouble is that from time to time it is gingerly picked up and fingers are rung.

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## Some day the light of truth must blaze through China's darkness

Professor Milton Friedman (boo) has been writing to *The Daily Telegraph* (boo) on the subject of Chile (boo). The poor devil wants to make clear that he is not the Chilean junta's economic adviser, which indeed he is not, and that he never has been, which is likewise so, and I call him a poor devil because he has got about as much chance of dislodging that particular myth from the minds of the left as of persuading them that the Blessed Martyr Allende (hooray) was no better than the people who now rule in his stead.

Still, it was not that bit of the doomed professor's argument that interested me most. I picked up my ears when, having said that he does not approve of the Chilean dictatorship of today (hooray—that is, boo), he went on to say this:

...as between the two evils there is one thing to be said for the military junta—there is more chance of a return to a democratic society. There is, for example, so far as I know, of a Communist totalitarianism developing into a liberal democratic society.

Now that is well said, and truly. But better still was the exactitude with which Professor Friedman expounded the reason for this truth:

The reason for the difference is not the superior merit or demerit of the generals versus the commissars. It is rather the difference between a totalitarian philosophy of society and a democratic one.

It is, indeed, and I should know, having worn out several gross of typewriter ribbons, during the Vietnam war, making precisely this point in comparing the regimes of North and South Vietnam, without ever having the good fortune to hit upon that way of putting it.

### From Hitler to the Greek colonels

What is more, the argument can be taken further. It is instructive, for instance, to look at Hitler in this context. Nazism, after all, was one of the few genuinely totalitarian systems of the right, and the difference between dictatorship and totalitarianism can be seen even more clearly if you compare Nazism with, say, the regime of the Greek colonels. (You must leave out, of course, the scale on which the wickedness was practised, or the comparison becomes too unbalanced to be useful; it is the nature of the regime, and the ideology which inspired it, which are relevant here, not its actions.) It was clear all the time that Papadopoulos was, say, the real still left room for Greece to move back towards democracy; it was no less clear that nothing would change Nazism except military defeat. That is because the Greek colonels shared the pragmatism of the Chilean junta (or, of Mrs Gandhi, for that matter); it never occurred to them to want to control the destiny of a society, public and private, in the name of a theory which dictated where society should go. But Hitler shared the totalitarian belief the communists hold; that a nation, an empire, indeed the entire world, ought to be a single object, to be formed of a sceptre for the ruler, in the name of the ideology which inspires him, to wield.

That is why China is the most completely totalitarian country in the world—indeed, probably the most completely totalitarian country there has ever been. (Professor Friedman, whom I quoted so extensively not long ago, encapsulated the point neatly when he said that in the Soviet Union, the citizen

can do anything, except a very long list of things that are forbidden, whereas in China the citizen may do nothing, except those things which the regime directs him to do.) Of course, this is no very considerable extent, because the rulers of China clearly believe in the philosophy that spouses, as Solzhenitsyn and others have grown hoarse pointing out, there are no Marxists in the Soviet Union, however often her rulers, and her ruled, may declare their belief in the prophet, and insist that the country lives to this day by his precepts. But the only difference between a totalitarian regime in which the rulers believe in their cause and one in which they do not is that in the latter the rulers are unhappy as well as the subjects; the significant difference is the one between the dictatorial regimes of the right which offer some hope of amelioration, and the totalitarian regimes (today entirely of the left) which do not.

### Are we obliged to abandon all hope?

Look at Spain. The change there had to wait until Franco died; but within two years of that happy release it was as though he had never been born, and today Spain has a democratically-elected Parliament. When Tito dies, can anyone seriously maintain that Yugoslavia is likely to acquire such an institution?

We must be careful not to take this argument so far that we arrive at despair. If totalitarianism offers no chance of changing itself for the better, are we obliged to abandon hope for the hundreds of millions who live under it? By no means; and when ever we are inclined to think so, let us recall the name of Dubcek to mind, and think again. After all, Dubcek and his colleagues worked inside the system and for a time were loyal servants of it; what first opened their eyes was the plain evidence, all round them, that it didn't work. From that conclusion it was but a step to asking why, and thence to the correct conclusion: that totalitarianism cannot work, inside or outside, because it is based on a gargantuan fallacy.

At first sight, it seems there is a contradiction here, but in truth there is none. For it is precisely to the extent that "Dubcekism" moved, and moves, away from ideology that it offers hope; the dictators of the right, who for the most part have never been ideologists at all, offer that hope from the start. It would be wrong to say that they were not afraid of being overthrown; they probably would be; it would worry Brezhnev, not because he believes the rubbish he talks but because he knows that a change of regime in the Soviet state, Marxist or not, means anything but a single, unified whole and all that goes with it is necessary to keep it so, then there must be eternal brutality on his part and on that of his successors.

Totalitarianism, then, offers no hope of self-improvement; it is a cancer which can only be utterly changed, as Dubcek for a few months utterly changed Czechoslovakia. But dictatorship, be it never so vile, can change itself. This is why we can see the sun of hope even in the black night of China, but not in the all-embracing darkness of China, where we can only comfort ourselves with the deepest truth of all: that a life cannot endure in a universe which is light out of countless glooms of truth.

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## Norway sails into dangerous waters over fishing rights

Few people have noticed Norway's latest move in asserting its sovereignty over the Svalbard archipelago, apart from those who earn their living from catching fish in the inhospitable waters of the Arctic Ocean and the Barents Sea, and those involved in negotiations over territorial limits. Early last month, Norway established a fishery protection zone round Svalbard, whose principal island is Spitzbergen. Since then, trawlers entering and leaving the area have been required to notify their movements and to submit to the Norwegian authorities details of catches made in the area.

The unilateral action by Norway followed a recommendation by a committee of the Storting (the Norwegian Parliament), and is being strongly defended by Norwegian officials and ministers. The move, it is argued, does not conflict with the provisions of the Treaty of Svalbard signed 52 years ago, as a result of which Norway became the sovereign power for the archipelago.

Svalbard is a buffer zone between the United States and

the Soviet Union, both of which are among the 40 signatories to the treaty, which provides for equal right of access for peaceful activities (under Norwegian administration) to the waters of the archipelago, and the Barents Sea, and those involved in negotiations over territorial limits. Early last month, Norway established a fishery protection zone round Svalbard, whose principal island is Spitzbergen. Since then, trawlers entering and leaving the area have been required to notify their movements and to submit to the Norwegian authorities details of catches made in the area.

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Svalbard is a buffer zone between the United States and

international interest in the area. As far as Svalbard is concerned, this situation has strengthened the other signatories' interest in preserving their rights under the treaty, as well as in making the treaty applicable beyond the territorial waters of Svalbard.

The waters around Svalbard are an important breeding ground for the Arctic cod which migrate southwards, and the Norwegian concern has been that the establishment of Norway's own 200-mile zone around the Norwegian coast could lead to an intensification of fishing activity around Svalbard to the detriment of the cod and other species.

In taking unilateral action for fisheries in the Barents Sea, the Norwegian Government has said that while the provisions of the treaty give Norway sovereignty in the land areas and the territorial waters up to the four-mile limit, the shelf areas round the archipelago are not subject to any of the treaty's provisions, but nevertheless fall under Norwegian sovereignty.

Norway has made it plain that the legal position (in its



view) is clear cut, and foreign ministry officials assert that the Norwegian position will enhance the guiding objective of promoting stability and a low degree of tension in the area. Access of the 40 or so signatory states to the shelf area, it is argued, would give rise to what Mr. Frydenlund has described as "a very unfortunate course of development."

But the big powers have failed to endorse Norway's interpretation. The Soviet Union has made it clear that it considers that the provisions of the treaty should also apply to

the Shelf areas, while the United States and other western countries have reserved their positions.

Norway's action, however, is strongly defended by officials who point to the overall consensus in support of the general policies being adopted by Svalbard. This is being developed in a number of ways. There are plans for a new research station on the Spitzbergen and the establishment of a more effective administration centre in the principal town of Longyearbyen.

The most ambitious project, however, has had to be temporarily shelved. Norway's state coal company plans to exploit a vast new coal find at Svea, but detailed analysis of the reserves has shown a higher than expected sulphur content, rendering the coal unsuitable for metallurgical use which had been the original intention.

The company sought, and received, a two-year postponement of the Svea development

### A novel way to give a cause powerful appeal

Eva Figs is the mother of two quite exceptional children. Thus the blurb on her new book, published yesterday. Why they are quite exceptional, and who says they are, is not stated. But there is nothing cryptic about another kind of blurb which Miss Figs herself has written on the book's copyright page. I quote it in full, because it is an historic document:

"Most of the people who read my books borrow them freely from public libraries and do not buy copies. As a result, I earn almost nothing from them and cannot survive on my earnings from what is a difficult and futuristic profession—writing books. If you want literature to survive, support Public Lending Right."

I am told this sort of propaganda exercise has never happened before in publishing. Miss Figs tells me that now she has set the ball rolling, other writers will do the same. As she belongs to the Writers Action Group and is an executive member of the Writers Guild, she is strategically well

placed to apply a touch of the whip.

Her new novel—her sixth—is called *Nelly's Version*. The publisher's version of the Figs initiative I got from Mr. Tom Rosenthal, managing director of Martin Secker and Warburg.

"She asked my permission to write the notice, and I gave it wholeheartedly. Publishers and authors are equally defrauded every time a book is borrowed from the library."

### Prandial error

A belated story from last month's informal weekend gathering of Commonwealth heads of government at Gleneagles hotel in Scotland.

Mr. Morarji Desai, India's 81-year-old Prime Minister, confronted with the hotel's vast dinner menu, asked the waiter instead for bowls of nuts, dried fruit, fresh fruit and a glass of milk.

Seated on his right and left were the waves of the Prime Minister of New Zealand and a Caribbean state. When the nuts and fruit arrived, those good ladies took them for pre-dinner nibbles, and ate the lot.

### Much awaited performance

With so much being written in the popular press about the discovery of the other day in an attic of an early play by Terence Rattigan (and, indeed, some quoting from the text of the play in one newspaper), it is good to be able to report that *First Episode* is to be produced, for the first time for 43 years, early next year, probably in January.

An option on the play has been taken, with Sir Terence's full approval, by the publisher and impresario Neim Attallah. Mr. Attallah has also commissioned a book—an assessment of Sir Terence's work—from Michael Darioff, who has been doing a programme for the BBC about the playwright's life and literature. This book will be published by Quartet next year. During Mr. Darioff's researches for the programme, the manuscript of the play was found among other papers in the loft of Sir Terence's agent. Written in 1934, the author excluded *First Episode* from his collected works.

I understand that it is a love story set in Oxford. If the play has homosexual undertones (as

has been suggested by some) they are very obscure indeed. It is more about the first affair of an undergraduate who falls in love with an older woman—into that relationship are woven other, complicated ones. Rattigan, at 21, serving an early pace and style for himself.

### Musical uplift

Now that coach parties are moving up market, with the £1 lunch yielding to the £9 dinner, reverberations from the gastro-nomic explosion are threatening to rock the musical world.

Caterer, the leading catering organization, is considering changes in the traditional pattern of the sing-song. Mr. Ivor Spencer, president of the Guild of Professional Toastmasters, has suggested that "Roll out the Barrel" should share honours with "Green-sleeves", "Nymphs and Shepherds" and even "Gems" from G and S, as we used to call them in more gracious days. Mr. Spencer wants millions of the new-style song sheets to be distributed to coach firms. Caterer likes the idea, but is still working out the administrative details.

It'd be a tiny bit worried. If my name was Beves...?



A scribble in a West London Underground station says: "NF rule OK—no question." No question, either, about which station it was: White City.

### Securing assets the British way

A strong argument in favour of such watch-dog publications as *Top Security International*, a British monthly that proclaims the superiority of indigenous products, services and technology, is tucked away in the lively *Chit-Chat* column.

It is a local newspaper advertisement which says: "Security guards are required for Metropolitan police offices at New Scotland Yard, Finsbury and Lambeth. No qualifications or previous experience necessary." The magazine, packed with crime prevention and detection guidance, must be anathema to the industrial spy and the domestic burglar. I was not surprised, given the current liking for high-flown terminology, to see the good old *he detector* described in an advertisement as a psychological stress evaluator.

The September issue of *Top Security International* will make history. Five thousand copies will be translated into Arabic and sold in the Middle East. And judging by what a taxi-driver told me the other day,

the Arabs need some expert advice on how to protect their assets. One of them, at the end of a £10 paid ride from Heathrow airport, near the 309 charge on the clock and handed £30 to the driver. "Three tens are 30," he said and got out. The driver assures me that he handed back £20.

### Highest cooking

The French have finally settled the argument about which is the best restaurant in Paris. A colleague gathered the news while demolishing duck number 521,556—they have been keeping count since 1890—at La Tour d'Argent, overlooking the Seine and Notre Dame.

The dandified proprietor, Claude Terrail, was delighted to announce that his establishment, first opened in 1892, can now claim to be not only the oldest restaurant in Paris but also the best. Hitherto it has shared maximum ratings of three stars and five knives and forks in *Miche* (with other famous names). But now the compilers of the *Gault-Millau* guide—who give five restaurants equal 100 marks—have announced the result of a diet-breaking poll among readers of their monthly bulletin. Devotees of the haughtiest cuisine.

The Tour d'Argent came top with a scintillating 541 votes, against the luxurious Lasserre's 493, the Grand Vefour's 375, and Maxim's modest 291.

Post script: I am indebted to a Bolton, Lancashire, reader for explaining the true relevance of Louis XV's diary entry for July 14, 1789. The "rien" did not, as I erroneously refer to the fact that nothing significant had occurred nationally but to the king's lack of success at the hunt. "My item last week on doctors who are to be taxed on the fees they pay to buy hospital equipment has prompted several readers to remind me that doctors are not the only benefactors. Hospital leagues of friends are in the forefront of such charitable endeavours. A taxation expert assures me that there is a way in which tax exemption can be obtained for public hospitals. I referred to: they can claim 100 per cent first year capital allowances on the equipment purchased with their fees."

كلنا امة الاصل















## Wilson committee to be told 'no shortage of finance'

## Industrial investment restricted by fear of poor return, CBI says

By Malcolm Brown

Lack of confidence that industry will be able to earn a sufficient return has been the main restriction on industrial investment, not shortage of external finance.

This is the main conclusion of the Confederation of British Industry in its evidence to the Wilson Committee on the City. The CBI's findings will be put before the committee in about two weeks.

Echoing the Treasury and the clearing banks, which have already submitted memoranda, the CBI will tell the committee that it does not subscribe to the view that the City is failing industry. It is firm that there should be no extension of public sector involvement in providing finance for investment.

The CBI rejects radical institutional change as the solution to its problems and places stress rather on the need to curb inflation, shift the emphasis from public to private spending, and to restore incentives and improve competitiveness.

It blames successive govern-

ments for failing to provide the environment in which business is confident enough to invest. Governments had failed to provide continuity and consistency in taxes, incentives and interventions which affected industry. They had put insufficient stress on the need for profit-making and had not allowed enough scope for incentives to individual managers.

Problems resulting from high inflation and continuing uncertainty about its future rate are seen as the most serious limiting factor to investment. The confederation says this will continue to be the case until people believe that Britain's inflation is on its way down to the levels of its main competitors.

The CBI rejects the view that modest changes in the cost of capital can have a marked effect on investment. But it argues that a high and uncertain rate of inflation together with high interest rates induce caution in companies considering further borrowing to finance investment.

Dismissing the theory that

companies have found difficulty in raising sufficient external funds to meet profitable investment opportunities, the confederation says that the evidence shows that companies have been able to raise what they wanted through the existing machinery. In fact industry was not only satisfied with, but often complimentary about, those who supplied it with funds.

Smaller companies do have particular problems, says the CBI. It calls for fundamental change in the tax system to encourage saving and investment in productive industry, and to reduce the mounting burden of taxation on capital and its impact on the productive assets of smaller companies.

Looking to overseas investment the confederation says that as the current account of the balance of payments moves into surplus, the present exchange control on overseas investment should be relaxed. For many companies overseas investment is a vital part of their activities; the alternative to overseas investment is often not to invest at all, it says.

## Retail trade in June sluggish despite foreign tourist buying

By David Blake

Retail trade in June remained practically unchanged from its May level. At 104.1 the index of sales showed business doing slightly better than in March and April but below the level recorded in the first quarter of the year.

During the first three months of 1977 the index stood at 105, but in the second quarter this fell to a provisional estimate of 104.1.

The retail sales figures reflect the deep torpor affecting nearly every indicator of the domestic economy, which has been showing less demand than was expected at the time of the Budget.

The retail sales figures are cushioned to some extent by the impact of foreign tourists, whose spending has helped to prevent a collapse in demand in the stores. But their spending is heavily concentrated in certain areas, which would suggest that trade in provincial cities may be doing very badly.

The value of retail sales stood 15 per cent higher in June than it did in June, 1976, whereas the volume is down significantly over the same period.

## RETAIL SALES

The following are the seasonally adjusted figures for the volume of retail sales and value of new instalment credit released by the Department of Industry:

		Sales by volume 1976=100	Percentage change on previous 3 months at annual rate	New credit extended in £m
1976	Q1	107.3	+6.2	844
	Q2	107.6	+1.1	875
	Q3	108.9	+4.9	916
	Q4	108.5	-1.5	892
1977	Q1	105.0	-12.3	1,020
	Q2 p	104.1		
1976	June	107.3	+1.1	282
	July	108.8	+2.6	291
	Aug	108.9	+5.1	305
	Sept	108.9	+4.9	318
	Oct	108.1	+3.3	310
	Nov	109.2	+1.5	332
	Dec	108.3	-1.5	330
1977	Jan	106.7	-2.1	324
	Feb	105.7	-6.6	342
	March	103.1	-11.8	354
	April	103.4	-14.0	355
	May	104.4		
	June p	104.5		

p provisional

p provisional

## 11 new UK projects for America

From Frank Vogl

Washington, July 18. British and West German companies continue to be the largest direct investors in the United States. New investment projects were announced by 11 British and the same number of German companies in the second quarter of this year.

They were among a total of 53 foreign companies announcing new investments in United States manufacturing facilities in the period.

A survey by the New York Conference Board shows that the total number of new foreign investments in the United States in the first six months of this year was 124, against 126 in the same period of 1976.

The value of 26 of the second quarter's projects was \$457m (about £265m).

About 58 per cent of the second quarter's investments involved construction of new plants or expansion of existing ones. The remainder represented acquisitions.

The conference board expects the total number of new foreign company investments here over the whole year to equal the 1976 figure of 254.

The most favoured states for foreign investments in the second quarter were Michigan, Pennsylvania and South Carolina, which each received six.

## Cammell workforce laid off

By Peter Hill

Cammell Laird Shipbuilders last night laid off its entire 4,300-strong labour force after the dismissal at the end of last week of four workers.

The shut-down of the Merseyside shipbuilding group's yard, which since the beginning of this month has formed part of British Shipbuilders, the new state organization, is a blow not only to Cammell but also to British Shipbuilders.

At a time of world dearth of orders, it is engaged in an ambitious marketing campaign to attract contracts to Britain to prevent the run-down of the labour force.

Dismissal of the four men last week led to the picketing of six vessels by members of the company's staging department in protest.

Attempts to secure a return to normal working were made on Friday and again yesterday but, the company said, management proposals were rejected.

## Shell in £355m chemicals plant plan for France

By Our Industrial Correspondent

Investment of £355m is to be made by Shell's French chemicals subsidiary, Shell Chimie, in a new ethylene cracker and downstream production unit on a site near Marcellas.

In a statement yesterday Shell said that the new cracker plant would be built at Berre on the company's existing manufacturing complex.

With an annual capacity of 350,000 tonnes a year the new plant is scheduled to be commissioned in mid-1980.

A joint vinyl chloride monomer project between Shell Chimie and Produits Chimiques Ugine Kuhlmann will be built at Fos with an initial capacity of 200,000 tonnes a year, with scope for expansion.

Shell also plans to build a polyvinyl chloride installation at Berre which will draw vinyl chloride monomer from the Fos plant.

## LETTERS TO THE EDITOR

## Seeking 'streamlined' courts service

From Mr Justice Kerr

Sir, The delays in fixing dates for hearings in the Commercial Court are frustratingly nothing like as great as your article of July 12 suggested. Very long cases presently have to be fixed for May and June of next year, but this is the maximum delay. In such cases the parties themselves often do not want earlier dates, because they need the time to prepare for trial. Short cases can usually be fixed about six months ahead, often much less.

They are, consequently, due to the workload on specialist barristers and solicitors and of clerical staff and arbitrators' commitments in the case of the barristers.

As your article points out, the present system of fixed dates may have to be modified, at any rate for short and urgent cases, unless the court is satisfied that the litigants would prefer to retain the counsel of their choice, even if they have to wait longer for the trial.

If any of your readers have any evidence or comments which they would like to offer, could they please communicate with the Secretary to the Commercial Court Committee, J. L. Powell, Lord Chancellor's Office, Room 605, Romney House, Mark Lane, London EC3A 3DZ.

MICHAEL KERR, Royal Courts of Justice, London, WC2A 2LL.

In the present economic conditions there are large numbers of such cases. London is still the greatest centre for the resolution of international commercial disputes. This is one of our inalienable exports; it warrants special measures of

speed and efficiency so far as our resources permit. An innovation has already been introduced for one of the Commercial Court judges to be available throughout September.

One of the aims of the committee will be to consider what else can be done to effect radical improvements. In this connexion it must however also be borne in mind that delays are by no means always the responsibility of the court.

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MICHAEL KERR, Royal Courts of Justice, London, WC2A 2LL.

## Second class status for UK loan stocks?

From Mr C. Selmes

Sir, I heard with astonishment the news in *The Times* today (July 18) that *Stewart Walker Securities* are intending to negotiate terms for the early redemption of their three outstanding United Kingdom loan stocks.

There were no such negotiations when the 91 per cent loan stock was last repaid at par in December 1975. There was, of course, no way that the greatly reduced 1975 net assets could fail to breach the "twice capital and reserves" borrowing limit set in the original prospectus, and it was quite properly paid off in full.

How improper that any different terms should now be proposed for the other three loan stocks, just because their trust deeds, restricting borrowings to three times capital and reserves, are getting in the way of the imminent reorganisation.

Indirectly referred to in Sir James Goldsmith's chairman's statement last September was the second class status of the Bank of England, that is, British companies with a Eurodollar loan outstanding must be allowed to default on it (and they have: lucky UDI, poor FNFC; lucky Town & City, poor Anglo-Continental).

£275m of foreign currency loans issued to overseas investors... run on the companies'... all those who were directly and indirectly concerned... Thus the amazingly generous rescue operation takes place.

Why should the United Kingdom loan stocks now be given second-class status when the "overseas investors" have been, and will continue to be, paid off in full? Because they have trust deeds that inconvenience the reorganisation? Because they stand as a lien on the assets of the companies? Or because they can be quietly sacrificed to avoid making waves in the Bank of England's Eurodollar pool?

No, Sir! C. SELMES, 900 Park Avenue, New York 10022, New York, USA.

## British postal service 'not most expensive'

From Mr N. N. Walsley

Sir, We do not agree with Michael Corby's suggestion (July 14) that the British postal service is one of the most expensive in the world in terms of the time taken by the average worker to earn the price of postage.

Figures show a very different picture. At March, 1977, wage rates the time taken to earn the cost of a 9p first-class letter in Britain is 3.1 minutes. By comparison the times taken to earn broadly equivalent postage elsewhere are: The Netherlands 3.2 minutes, France 4.8, Italy 4.7, Belgium 2.4, West

Germany 2.7, and the United States 1.4.

Moreover, when you take into account the higher standard of service offered in Britain, which Mr Corby acknowledges, and the burden of uncompetitive prices to the taxpayers of some other countries in the United States, taxpayers had to find more than \$1,000m last year—it is even more difficult to justify Mr Corby's claim.

Yours faithfully, NIGEL WALMSLEY, Director, Postal Marketing, Postal Directorate, St Martins-in-Grand, London EC1A 1HQ.

## Arguments trained in wrong direction

From Mr Desmond Goch

Sir, Professor Edward Stamp (July 5) does no service to the cause of intelligent debate when he labels those who disagree with his own views on accounting standards as "backwoodsmen". However, if that is the price that is to be paid, then I accept the title with equanimity.

The backlash over ED18 is a welcome sign that at last many more accountants are examining the Accounting Standards Committee proposals at the exposure draft stage, rather than waiting until they are promulgated as standards before considering the practical consequences of their introduction.

For the past few years we have blindly accepted the arguments of Professor Stamp and his fellow academics and as a result there has been created an accounting bureaucracy that seems to be hell bent on making public accounts ever more incomprehensible to the

hapless shareholders whom the law regards as the primary beneficiaries of all this accounting effort.

The most sensible of all the accounting standards—SSAP2 *Statement of Accounting Policies*—defines a range of requirements that if they are sensibly observed can serve the needs of even the most fastidious investment analyst or financial journalist in his or her search for the essential verity.

As a result of the strength of the auditors' report on the post-merger GEC-AEI accounts, he might now ask himself how much dishonesty or deception was uncovered by that event? If he thinks back to when he was himself involved in the hasty 'burying of

business, he would probably recall that whatever he did to changes in accounting policy, often for very good reasons, and that decisions are made on the basis of judgement that is, perhaps, clouded by slowness of perception. Hindsight is a dreadful thing and, sadly, it arrives too late for most of us in business.

The fact of the matter is that most of the recent accounting "scandals" have centred around incidents based on negligence, recklessness or dishonesty and the fact has been with inadequate standards of auditing rather than the absence of formalized accounting standards.

Like the ill-fated *gins of Singapore* in the Second World War, the good professor has got his good intentions trained in the wrong direction.

Yours sincerely, D. GOCH, 4 Paddock Wood, Harpenden, Hertfordshire AL5 1JX, July 5.

## Owls 'plain, ordinary and popular' Inflation accounting: the political element

From Professor D. R. Myddelton

Sir, You say the Government is committed to inflation accounting, and suggest that if the accounting profession is unable to produce a successful inflation accounting strategy, the Government may decide the time has now come to impose one. But you misinterpret what has happened.

Four years ago the accountants' long study proposed a system of inflation accounting called current purchasing power accounting (CPP). It was Government interference (in setting up the Sandilands Committee) which delayed for years the successful implementation of that system.

It is no surprise that the system proposed by the Government committee (current cost accounting) has proved unacceptable. The fact is that current cost accounting is not really a system of accounting for inflation, as Mr Morphet himself has admitted.

The question now is not whether the accountants can produce a workable system of inflation accounting. Their CPP proposals have already shown that they can. The question is rather whether the Government will now withdraw its political objections to CPP.

D. R. MYDDELTON, Professor of Finance and Accounting, Cranfield School of Management, Cranfield, Bedford, MK43 0AL.

From Mr I. W. Welsh, Sir, It is with considerable diffidence that I query an explanation of stock appreciation given by a member of the Morphet and Accounting Standards Com-

mittee. (Mr Geoffrey Wilson's simple solution to the inflation accounting problem, July 14.)

I agree that in real terms profits are inflated by releasing widgets to production. But I cannot agree that under FIFO widgets should be valued at anything in excess of cost. Stock appreciation, surely, is brought about by having to pay more to maintain one's stock of widgets at the same nominal level.

I. W. WELSH, 6 Long Lane, London, EC1A 9DP.

From Mr Nicolas Thompson, Sir, It is clear that in the unlikely event of accountants ever agreeing on a system of inflation accounting, non-accountants will not understand it. It is time to apply some lateral thinking.

The root cause of the problem lies not in the principles of historic cost accounting which have served business well enough for many years, but in the depreciating pound which has ceased to be a satisfactory unit of account for long-term purposes. The solution, therefore, is not to invent complicated new principles of accounting but to change the unit of account.

Fortunately the western world still has several reasonably stable and well managed currencies. So give British companies the option to report their balance sheets and profit and loss accounts in Swiss francs, German marks or even United States dollars (and he would thereon) and CGA and all that can be forgotten.

NICOLAS THOMPSON, Pitman Limited, 39 Parker Street, London WC2B 5PB.

## Diving vessel for BP Buchan field

A new diving support vessel, the *Sterna Walder*, which will start work immediately on BP's Buchan field in the North Sea, was named at Aberdeen yesterday.

Wharton Williams, the operators, will act as project managers for the drilling template installation.

A team of 18 divers will be involved and after completion of the Buchan contract, the ship will move to the Norwegian sector of the North Sea on contract to Mobil.

Wharton Williams yesterday also demonstrated a new one-man atmospheric submersible being bought by the company from OSEL of Yarmouth.

## EEC aid by instalments scheme

From Michael Hornsby

Brussels, July 18. A proposal for increasing the short and medium-term financial aid provided by the EEC to member countries, and linking it more stringently to the observance by the recipients of precisely defined conditions, was made here today by the Belgian Government.

Opening a meeting of EEC economics and finance ministers, Mr Gaston Geens, the Belgian chairman, said that increasing short-term exchange rate support (the present total quota is slightly over \$3,000m (about £1,744m) would strengthen the Community's joint float currencies and promote economic convergence.

Mr Geens also proposed that the EEC commissions responsible for economic and monetary affairs—a post at present held by M. Francois-Xavier Ortoli of France—should attend the monthly meetings of the joint float countries.

Of the Nine only the Benelux countries, Germany and Denmark, participate in the "Snake", as the joint float is called. Sweden and Norway are also full participants, and Austria is an associate member.

Medium-term credit, designed to help countries with balance-of-payments deficits, should be renewed, Mr Geens said, but on condition that "it be paid out in instalments subject to the observance of pre-

vious terms laid down for each instalment".

Most important, Mr Geens said, was that member states should agree to coordinate the intermediate targets for money supply, credit expansion and the like set by national monetary authorities. To be effective, these monetary policy targets would have to be accompanied by precise and compatible budgetary targets.

It was agreed that the Belgian proposals, which are in effect a diluted version of earlier suggestions for greater economic and monetary integration, should be pursued by officials and looked at again by the finance ministers in the autumn.

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## Land Securities

Copies of the Report and Accounts for the year ended 31st March 1977 may be obtained from The Secretary, The Land Securities Investment Trust Limited, Devonshire House, Piccadilly, London W1X 6BT.

## The Times Special Reports

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and the traded options scheme's supporters hope to set up the dummy within a fortnight. The participants are likely to be recruited from members of the London Traded Options Users Association, which has been studying the Chicago exchange.

Paul Kohon, has announced that he is to resign as

retirement in a London  
leading newspaper offering to  
retired banker an "attrac-  
salarly according to age  
experience". If there are  
100-year-old retired bankers  
and, this could be your  
chance to make big money.

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House, actually work. The sponsors have therefore decided to set up a dummy run and hope, by pushing the system to the limit, to persuade the council that traded options (based locally on the Chicago Board Options Exchange) will



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£504,977,311  
Total Assets

1967-1977

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Commerzbank A.G.  
The First National Bank of Chicago  
Banco di Roma S.p.A.

Irving Trust Company  
Credit Lyonnais

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Australia  
Austria  
Bahamas  
Belgium  
Bermuda  
Bolivia  
Botswana  
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## Distributed networks are to be established by two food groups

Two bakery and food groups, Allied Bakeries and Spillers, have separately decided to implement decentralised data-processing networks based on local minicomputers. Allied has signed contracts, believed to be worth about £2.5m, with Honeywell; while Spillers has gone to Burroughs with an order worth almost £400,000.

The Allied network will be based on two central Level 66 computers, to be installed at Liverpool, and a Level 6 mini-computer at each of the company's 44 bakeries throughout the country.

The central machines will handle the bulk processing for day-to-day production, sales and distribution of bread and bakery products across the country. Minicomputers at the bakeries will establish a daily order and loading pattern for the group fleet of delivery vans and shop vehicles.

This in turn will provide the basis for production, despatch and loading summaries, much of which was previously generated centrally. The new distributed network should enable the bakeries to handle production more rapidly and precisely to sales requirements, and to assess and act on their own priorities.

For the Spillers food group, the Burroughs order is part of a move towards a network of local processing computers for its 70 manufacturing sites. It includes 48 AES01 audit entry minicomputers and three B80 small computer systems. Initially they will complement existing networks of about 250 Burroughs terminals.

Later, the minicomputers may be upgraded to terminal computers, forming part of a distributed network and replacing the existing terminals. At the group's management services headquarters in Croydon, a central, dual-processor Burroughs B6700 supports the network.

Spillers expects to spend up to £2m on local processing equipment over the next few years, according to Mr Brian Gladwin, the group's director of management services.

The new minicomputers will be used to process the van salesmen's orders which, when summarised, will produce that night's production figures. They will also handle other applications, including standard recipe costing; previously all this work was handled by a combination of calculators, adding machines and manual methods.

**SPL's growth area**

Industrial software and systems work by SPL International is now running at about £700,000 a year (out of a total turnover of over £4m). Many industrial clients are the recent opening of a Manchester office by the company.



A voice-input computer system suitable for banking and other applications has been introduced by Arbat (UK), a subsidiary of Arbutnot Latham Holdings. Developed by an Arbat team led by Mr Doug Schilling, technical director (above), the system is known as Speak Easy. It is based on a voice recognition system developed by EMI Threshold, used together with a Digital Equipment Company PDP-11 minicomputer, and can recognize up to 255 phrases without refreshing its memory. Among the expected categories of user are senior staff members (unfamiliar with conventional input procedures) and foreign-exchange dealers who could insert deal data and request immediate displays.

### Computer news

Clients include Ferranti, Courtaulds, GEC and ICI, as well as the parent Simon Engineering. For ICI, SPL is to provide software support.

### Euro-projects

Scientific Control Systems (SciCon) and Plessey are in competition for two computer applications projects which have been commissioned by the European Commission. The Commission has recently placed three study contracts worth £784,000.

A technical study on legal information retrieval systems is to be undertaken by an international group led by SFS (Germany) and including SciCon. The feasibility of computer aids in logic circuit design is to be studied by Saget (Luxembourg) in association with Plessey and other companies.

**Offshore tests**

Research and development projects worth £1m on the inspection and structural monitoring of oil production platforms in the North Sea are to be carried out over the next

two years by three British companies.

They are EMI Electronics of Woking (acting for the Seatek consortium), Structural Dynamics of Southampton, and Structural Monitoring of Glasgow.

Structural vibrations caused by waves will be analyzed using minicomputers on the platforms. This analysis, Structural Dynamics comments, will be "in relation to known information about the response of the structure derived from computer-based mathematical analysis".

**Expansion move**

Data Processing Customer Engineering, the Australian independent computer maintenance company, has set up a United Kingdom division in preparation for expansion in this country. Last year the company won a contract from British Airways to maintain the airline's IBM computer complex at Heathrow.

Mr Max Eastwell is general manager of the new division. DPEC is owned 68 per cent by the Dier Computer Corporation and 32 per cent by computer staff. The intention is to change this to 40 per cent Dier, 40 per cent staff and 20 per cent available for major customers.

Kenneth Owen

## Opec selling more oil in OECD

Paris, July 18.—Imports of oil from members of the Organization of Petroleum Exporting Countries by seven major nations in the Organization for Economic Cooperation and Development, rose to a daily average of 18.72 million barrels, seasonally adjusted, in the first five months of this year compared with 15.66 million barrels a day in the whole of 1976, the OECD said today.

This represented about 58 per cent of Opec production of 31.3 million barrels a day compared with 55 per cent of the 30.04 million last year. The seven countries are the United States, Japan, France, Germany, Italy, Holland and the United Kingdom.

This trend is likely to be reversed as the scheduled one million barrels a day of Alaskan oil arrives in the United States and as gains are made in North Sea output in the second half of the year, it added.

The OECD said crude oil imports by these countries was 20.8 million barrels a day in April and May, close to the high first-quarter level of 21.2 million and about 9 per cent above last year's average.

The OECD said crude oil import prices fell 1.1 per cent for the United States and 0.6 per cent for Japan in May compared with April, but in Europe there was a further 0.7 per cent increase.

Together this gave a small 0.2 per cent fall for the seven major OECD nations.

Present data suggests this downward drift continued in June.

## French buy more foreign cars

Paris, July 18.—Foreign penetration of the French car market rose to 25.42 per cent in May from 19.26 per cent in April and 22 per cent in May last year, according to the Car Importers' Association.

In May, imported cars represented 37,760 out of a total 148,556, compared with 26,766 out of 130,871 in April and 36,404 out of 164,881 in May last year.

This brought foreign penetration to 21 per cent for the first five months of the year, against 21.3 per cent in 1976.

The association said the rise in foreign imports in May was largely due to the new Ford Fiesta model.—Reuters.

**Mersey strike ends**

Four hundred Merseyside dockers returned to work at Euxine Shipping, Liverpool, yesterday after a five-day stoppage, the first for some months.

It was over the handling of powder on a Chinese ship. All dockers were employed in the Mersey ports yesterday when 33 deep sea and eight coasters were worked.

## FINANCIAL NEWS

## Doubled exports fuel turnaround at Hirst & Mallinson

By Alison Mitchell

Continuing the upswing apparent in last year's second half, Hirst & Mallinson, the catering equipment-to-pharmaceuticals group, swung back into profit for the six months to April 30.

Much of the improvement has come from exports, almost double those of the first six months of last year, and now accounting for around 40 to 50 per cent of group profits.

On turnover the group has turned a previous loss of £24,600 into a pre-tax profit of £216,700, boosting earnings per share to 4.4p against a 1.4p loss.

The interim dividend has been increased from 1.01p to 1.36p and the directors look to

a similar improvement at year-end.

Despite the weakness of the home market, sales in the textiles division increased by 37 per cent to £2.6m while on the distribution side turnover rose 21 per cent to £4m.

But Mr Michael Crompton, chairman, gives a warning that any further growth must come from overseas. With the home markets showing no signs of improving, the group has launched an expansion programme aimed at increasing sales in the Middle East and the EEC countries.

A new marketing company is being set up to enable the catering equipment group to increase sales in the Arab states. In particular, the

subsidiary will be looking for contracts from military and education projects.

Hirst also plans to consolidate the textiles division within the Common Market.

However, the costs of these new ventures will have to be borne in the second half. This may depress profits at year-end, but it will be more than offset by medium-term gains, says the chairman.

Profits are currently in line with budgets, and the directors are looking for an improvement on last year's £175,000 profit, although the main benefits from the expansion programme will not begin to show through until the next financial year, to October 31, 1978.

## Barings arrange big loan for plant in Turkey

A financial agreement for about \$14m has been signed by Baring Brothers & Co. Limited, and a syndicate of banks consisting of themselves, Chemical Bank, the Royal Bank of Canada, and Midland and International Banks Limited.

The borrower is Petkim Petrokimya AS, the Turkish state-owned petrochemicals organization. The obligations of Petkim under the financial agreement are guaranteed by the Turkish Ministry of Finance.

The loan will finance the United Kingdom share of a joint contract awarded to Catalytic International Inc. of London and Ormiston & Norrish Ltd of Manchester, for a caustic soda plant at Algaia-Izmir in Turkey.

The loan is made with the support of the Export Credits Guarantee Department.

## Laing pays £5m for major stake in Altech

By Ashley Druker

Paying some £5m for a major share in a Luxembourg company, John Laing & Sons, the construction group, announces a 40 per cent stake in Allied Technology Holdings SA, acquired from Technology International.

SA, TIL will retain the balance of the share. Altech designs and constructs process plants for the refinery and petrochemical industries.

The move is in accordance with its policy of extending its activities into a wider range of construction-related services, said Laing. In 1976 Altech made a profit of some £1.2m on turnover of £41m.

Altech has subsidiaries in Switzerland, Italy, France, Iran and Canada. Their management and coordination is carried out by

Ingeco International SA from offices in Lugano. This 100 per cent-owned subsidiary of Altech will adopt the name Ingeco Laing International SA.

The Altech group has worked in some 21 countries in Europe, the Middle East, Africa, North and South America and the Far East. Major projects currently in progress include a paper and pulp plant in Syria, a production plant in Algeria for bags and cardboard boxes, refinery and chemical plants in Iraq and engineering services for oil pipelines in Saudi Arabia.

A new company, Ingeco Laing, is to be formed in the United Kingdom. TIL will own 60 per cent and Laing 40 per cent. It will undertake comparable process engineering work in the UK and overseas. Ingeco Laing is expected to play a valuable part in the substantial expansion of the Altech group.

## J P Morgan opens with 12pc climb to top \$100m

J. P. Morgan & Co Inc, the parent company of Morgan Guaranty Trust, reported a consolidated profit before securities gains or losses in the six months ended June of \$99.7m (about £58.6m) which was 10 per cent more than the \$89.9m earned in the corresponding period last year.

Net profit was \$101.5m in the first half of this year compared with \$90.1m or a 12.6 per cent increase. Net securities gains, after income tax, contributed \$1.8m to the six-month result for 1977, compared with \$2.0m and \$23.0m to that for 1976.

On a per share basis, income before securities gains or losses was \$2.45 in the six months just concluded, 8.4 per cent above the \$2.26 earned in the same year-earlier half. The per share figures reflect the March 1976 issue of 2 million new shares by the company.

In the three months ended June 30, income before securities gains or losses of \$50.1m was 11.3 per cent more than the \$44.5m earned in the second quarter of 1976. Net income in the 1977 quarter was \$51.2m, an increase of 14 per cent over the corresponding 1976 quarter of \$44.5m. Securities transactions, after tax contributed \$1.1m to the result in the most recent quarter, whereas they had a negative impact amounting to \$115,000 in the 1976 quarter.

**AT & T optimistic**

American Telephone & Telegraph Co expects 1977 to be a very good year, according to Mr John Debutts, the chairman. "Earnings are running ahead of our expectations," he said. After a longstanding policy he declined to discuss analysts' projections that AT & T's per share earnings would rise above \$6.80 this year—up from \$6.50 in 1976.

For the 12 months ended May the company earned \$4,200m (about £2,470m) on revenue of \$34,200m. Mr Debutts said that he expected the trend to continue.

**Rhone-Poulenc's deal**

Rhone-Poulenc, France's biggest chemicals and textiles group, intends to spend \$500m (about £294m) over the next five years in diversifying the activities of its Brazilian subsidiary, Rhodia Industries Chimiques Textiles. Its aim is to reduce the affiliate's specialization in textiles so that it accounts for only 30 per cent of cash flow, compared with 75 per cent at present. Rhone-Poulenc said chemicals would

## International

represent 45 per cent of RITC's activity after the investment programme, against 23 per cent now. The group said the investment programme envisages injecting \$300m into the chemical sector in association with the Banque Nationale de Developpement Economique and Brasinvest SA Investments.

**Bethlehem-Cominco**

The Bethlehem Copper Corporation of Vancouver says its directors will make no recommendation on the bid by Cominco for Bethlehem shares at \$18 a share. Bethlehem said that Granges Escom AB of Sweden is negotiating the sale of its 1.6 million Bethlehem shares to a third party. Granges has not decided whether it will tender its shares to Cominco if the third party sale is not completed prior to the expiry of Cominco's bid.

**Crown Zellerbach**

Crown Zellerbach, the Canadian pulp and paper group, has increased its second quarter net profit to \$57.1m (about £41m) from \$55.5m. Sales were \$1,132.2m against \$1,017.7m. First-half profit was \$112.2m compared with \$99.7m. The company says that the first-half improvement was due to stronger lumber exports and benefits from the decline of the Canadian dollar relative to the American dollar.

**Akzo's French bid**

Akzo NV's subsidiary, Akzo Pharma BV, is making a 180 franc share cash bid for the French medical equipment manufacturer, Recherche et Expansion Therapeutique nationale SA. The company says that the first-half improvement was due to stronger lumber exports and benefits from the decline of the Canadian dollar relative to the American dollar.

**RANCO DI SICILIA**

Branch office opens on July 21 in Budapest, the first by an Italian bank in Hungary.

## Briefly

## Cooper Inds seeks rest of Jevons

Discussions are taking place between the boards of Cooper Industries and Jevons Cooper with a view to Cooper Industries making a cash offer to acquire all the shares of Jevons Cooper not already owned.

About 40 per cent of the capital of Jevons Cooper is owned by Cooper Industries. A further 37 per cent is owned or controlled by directors of Cooper Industries.

**Cooper Industries** has steel, engineering and buildings interests and Jevons Cooper are factors and makers of engineers' tools, etc.

In its opening half to October 31 last Cooper Industries saw pre-tax profits spiral from £183,000 to £322,000, though the group was cautious on the second-half. Jevons Cooper jumped from £53,000 to £157,000 pre-tax in the half to October 31 last. It looked to a further increase in earnings in the final stage.

**STANDARD CHARTERED**

Bank chairman Lord Sutherland says that trends so far in 1977 suggest continued strengthening of world economy and further expansion of the bank's business. Last-year expansion meant an increase in deposits and advances of 14.7 per cent and 15.6 per cent respectively.

**LOAN FOR HUNGARY**

Management group of seven North American banks and by the Bank of America formed for The National Bank of Hungary's \$200m seven year loan. The loan will be signed in New York on or about September 15.

**PENTLAND INDUSTRIES**

Mr Stephen Rubin told shareholders at annual meeting that figures for first quarter of 1977 are well ahead, and half yearly statement due on September 5 will be encouraging.

## Dillon's bookshop taken in Pentos stable for £650,000

Dillon's University Bookshop has been sold to Mr Terry Pentos, a group for £650,000. Acquisition of London University's bookshop (shown above) adds one of the most prestigious names in the academic bookselling world to the Pentos stable, which already covers Hudsons Bookshops and the publishing houses of Ward Lock, Whitman & Marshall, and Morgan & Scott.

Dillon's has been a business in search of a management for some time, and the Pentos deal involves an initial payment of £475,000 cash with an additional £175,000 payable if Dillon's profits reach a forecast £150,000 pre-tax this year.

Group net assets, assuming that level of profits are reached, are estimated at £440,000. In addition to the Dillon's payment, Pentos has been able to retain the bookshop's existing lease from its freeholder, the University of London, for £125,000.

This lease permits Pentos to hold the 37,000 sq ft bookshop selling space in Malet Street, London, W1, until the end of the century at an historically low ground rent.

Dillon's is one of the largest academic bookselling organisations in Britain with annual sales of around £4m. Apart from its West End store, the company has shops in Nottingham, Canterbury and Cambridge. Mr Pentos plans to keep the business separate from the group's existing bookshop operations. But he hopes to expand Dillon's outlets around the country's universities and overseas. Book-selling and publishing currently account for roughly 40 per cent of Pentos's earnings, turnover, which reached £2.9m pre-tax on sales of £36.5m.

John Brennan

## Europe still a laggard for Rothschild Investment

Despite selling seven of its eight European properties, this division of Rothschild Investment Trust still had an excess of borrowings over attributable assets to the tune of £585,000 at March 31, last compared with £5.6m at the previous year.

The group was badly hit in 1975-76 by the slump in letting and the total property write-off that year amounted to £11.9m. No such provision has been necessary this time round but the income from the European Property group failed to match expenses resulting in a loss of £32,000 compared with £350,000 previously.

On the UK side, income less expenses amounted to £291,000, down £61,000 on the previous 12 months.

However the group did manage to boost net revenue from £1.38m to £1.6m in the period. At the year-end net asset value per share was up from 382p to 433p. This had increased to 467p by July 12.

**Shell buys coal holding in Thies**

Shell has continued the expansion of its overseas coal interests with an agreement to buy a holding in the Australian group Thies Holding from M. J. M. Holdings.

MDM said that decision to sell the holding was subject to ratification by Government agencies, was based on long-term strategic objectives.

MDM and Thies will continue to be connected through the jointly owned Brigalow Mines, which has large coal reserves in Queensland, and through a joint exploration programme.

**Guinness reshaping business in Ireland**

Guinness is finding it hard to win an acceptable return on capital but it is doing a lot about it. Helped by McKinsey & Co, the directors of Guinness (Dublin) are reorganizing that

business into three broad groups with each one the responsibility of a Guinness Ireland director. The largest will be the beer division. The others are to be drink related division and a new ventures division.

The group exploring the latter is much more than Dublin's St James's Gate Brewery now that it has other beer interests. Harp Lager, soft drinks, wine and spirit and beer wholesaling, Emerald Star Line, engineering, meat and mushrooms.

**W. E. Norton again turns in best-ever**

Announcing record profits for the first year running, W. E. Norton (Holdings) turned pre-tax profits increased 25.3 per cent to £451,000 for the year to March 31. This was on the back of turnover raised 11 per cent to £2.33m. Interest payable also fell, from £76,000 to £77,000. Earnings a share shot a rise from 1.99p to 5.4p, with the tax charge only £150,000 against £196,000 due to stock increase relief. With a normal tax charge earnings a share would have been 2.6p. Meanwhile the total gross dividend is 0.94p.

**Formica Int in talks with BP Chemicals**

Formica International is in negotiation with BP Chemicals for the transfer of the industrial laminates business carried on by its United Kingdom subsidiary, Formica.

It is intended that the deal will take effect from September 1, but it is subject later to the previous agreement of the Office of Fair Trading not to refer it to the Monopolies Commission. The industrial laminates business of Formica covers markets in the United Kingdom and overseas, mainly France, Germany and America. Decorative laminates and the remaining products of Formica Ltd are not affected.

## HOWARD MACHINERY LTD

GROUP RESULTS FOR THE HALF-YEAR TO THE 30TH APRIL, 1977

	6 months April, 1977 £'000	6 months April, 1976 £'000	
<b>SALES</b>			
Howard products			
In United Kingdom	7,742	6,129	
Exports from United Kingdom	6,055	5,539	
Abroad by overseas subsidiaries	13,210	13,847	
	<u>27,007</u>	<u>25,315</u>	
Merchanted products	8,286	6,796	
	<u>35,293</u>	<u>32,111</u>	
<b>TRADING PROFIT</b>	1,083	1,680	
Deduct interest	1,072	854	
	<u>21</u>	<u>826</u>	
<b>PROFIT BEFORE TAX</b>	21	826	
Add minority interests before tax	56	51	
	<u>77</u>	<u>877</u>	
<b>Net profit before tax attributable to the members of Howard Machinery Ltd.</b>	<u>77</u>	<u>877</u>	
	<b>Amount per share (Net)</b>	<b>Cost (Net) £'000</b>	
<b>Dividends on ordinary shares</b>			
in respect of the year to:			
31st October, 1976 interim	4th Nov. 1976	1.045p	301
Final	1st April 1977	1.188p	341
31st October, 1977 interim	3rd Nov. 1977	1.045p	301
<b>NOTES:</b>			
1. The figures are unaudited.			
2. No tax charge is included.			
3. The dividend will be paid to shareholders 4.4. on the register on 30th September 1977. The interim dividend is 1.045p (1976-1.045p) and including the associated tax credit at a rate of 35% will absorb £463,000 (1976-£468,000). The drop in profits is due to difficult conditions in some major overseas markets; they are unlikely to improve during 1977.			

For further information please contact:

D. E. Long-Price.

HOWARD MACHINERY LIMITED, Sproughton, Ipswich.

Telephone—Ipswich (0473) 48621

**HOWARD**

### CONTRACTS AND TENDERS

Republic of the Philippines

DEPARTMENT OF PUBLIC HIGHWAYS

OFFICE OF THE SECRETARY

Manila

### PREQUALIFICATION NOTICE

- The Government of the Philippines (Department of Public Highways) invites interested Contractors to apply for the prequalification documents in connection with the proposed Fourth IRRD Highway Project, while the local currency costs will be financed out of the Government funds.
- The Government of the Philippines is applying for a loan from the IBRD (the World Bank) for the proposed Fourth IRRD Highway Project, while the local currency costs will be financed out of the Government funds.
- The prequalification is open to contractors located in World Bank member countries and in Switzerland.
- The Works will be divided by approximately 12 Contracts. The preliminary total estimated construction cost for the Projects is 700 million pesos. It is anticipated that the value of each contract will vary from 20 to 70 million pesos.
- Tender documents are expected to be issued to the prequalified contractors between December 1977/February 1978 and construction is expected to start October 1978.
- More detailed information on the scope of the works will be included in the prequalification documents.
- Any suitably experienced contractor who is interested in being prequalified for any part of the works should forward his name and address not later than the 15th August 1977 to the Honourable Secretary, Department of Public Highways, 2nd Storey, 10th Ave., Manila, Philippines (Attention: The Executive Director, IBRD Projects Office) who will furnish interested contractors prequalification documents.

(SOD) BALTAZAR AQUINO Secretary.

### LEGAL NOTICES

In the Matter of HENDONSON & COY. (INCORPORATED IN THE UNITED STATES OF AMERICA) COMPANIES ACT 1948. Notice is hereby given that the CREDITORS of the above-named company are required to send in their claims and supporting documents, full particulars of their claims, and the names and addresses of their solicitors, to the undersigned P. GRANVILLE WHITE, Liquidator, at 10, Abchurch Lane, London EC4N 3JF, on or before the 15th day of August 1977. Dated this 15th day of July 1977. P. GRANVILLE WHITE, Liquidator.

### LEGAL NOTICES

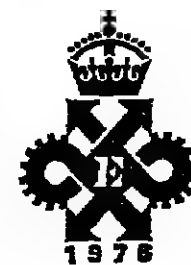
THE COMPANIES ACT, 1948 in the Matter of STEAM INSTALLATIONS LIMITED. Notice of Business: Steam boiler contractors. ORDER MADE 20th June 1977. PLACE OF FIRST MEETING: 20th August 1977, at Room 620, Atlantic House, Holborn Viaduct, London EC1N 2HD, at 10.00 o'clock. CONTRIBUTORIES on the same day and at the same place at 10.30 o'clock. W. J. CHRISTMAS, Official Receiver and Provision





# Standard Chartered

BANK LIMITED



## Comments by the Chairman, The Rt. Hon. Lord Barber

### THE YEAR'S RESULTS

For the year ended 31st March, 1977 total profits before taxation and extraordinary items amounted to £109.9 million, compared with £92.3 million in the previous year. This was made up of trading profits of the Bank and its subsidiaries of £96.8 million, and the Bank's share of associated companies' profits of £13.2 million. Earnings per share were 69.9p compared with 62.5p in the previous year.

The expansion of the Bank's business during the year is reflected in the increase in deposits and advances by 14.7 per cent and 15.6 per cent respectively. At the year end, total Group assets stood at £7,653 million.

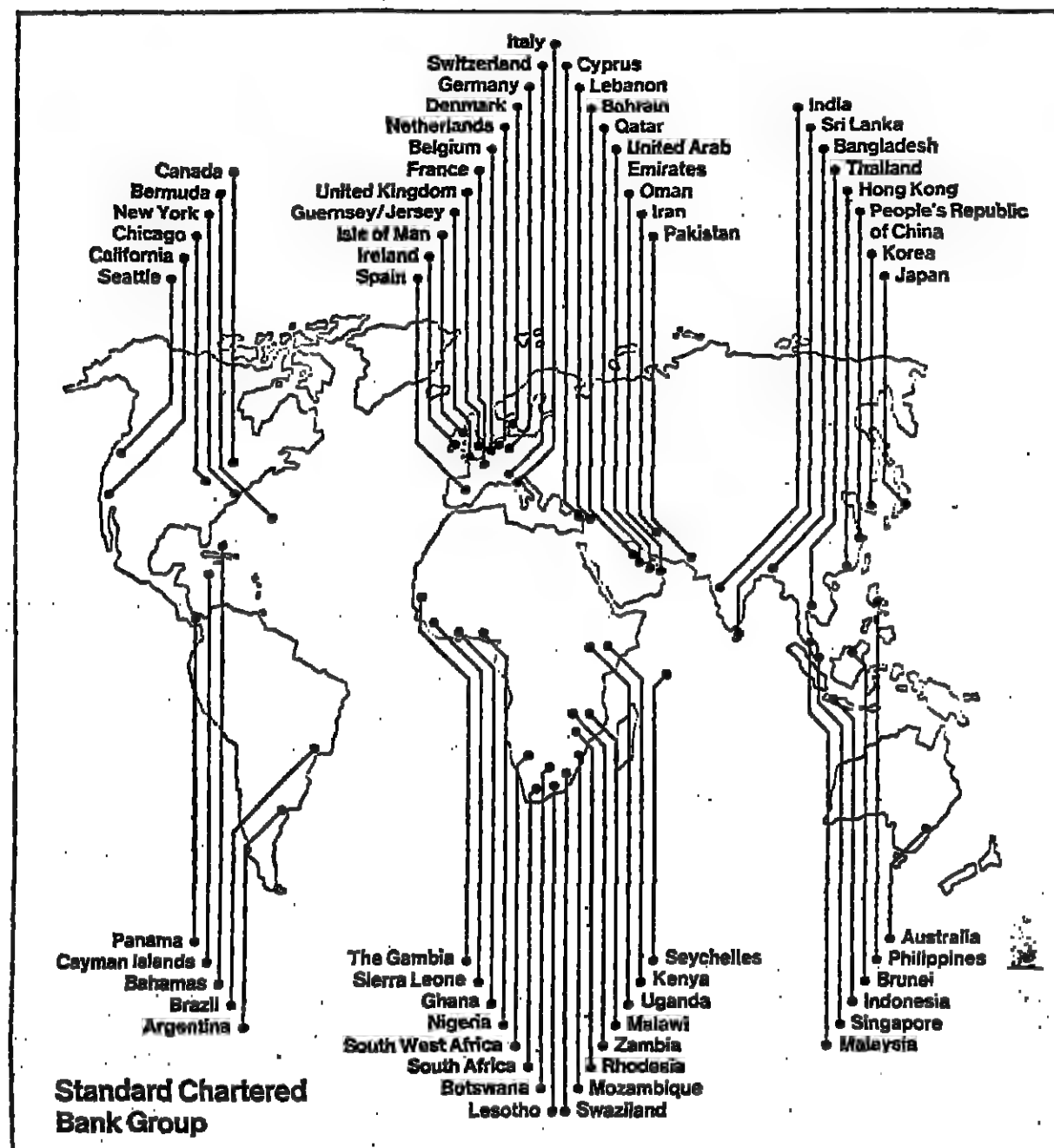
Again we reaped the advantage of the Bank's operations being very widely spread geographically, enabling us to take full advantage of the generally improved conditions. Trends so far in 1977 suggest a continued strengthening of the world economy and further growth in our own operations.

I mentioned last year that we had embarked on a comprehensive five year corporate plan for our operations world-wide, covering the period to March 1980. The first annual review of the strategy confirmed that the Bank has substantially achieved its targets.

In the absence of a reduction in Advance Corporation Tax for 1977-78 the net final dividend will be 10.325p per share which, together with the interim dividend of 7p per share already paid, would represent a total net dividend for the year of 17.325p per share, the maximum allowable.

### THE BANK'S STAFF

During the past few years, the Bank has been faced with various challenges, not least those stem-



ming from the recession in 1974-75, the competitive banking environment in many areas which accompanied the subsequent recovery and, of course, historically high rates of inflation. By and large these challenges have been met successfully, and our progress owes a great deal to the skill and experience of our staff as well as sheer hard work on the part of many. I would like again to express appreciation for the sustained efforts of all those who have contributed, both at home and abroad.

I have in the past referred to the growing disparity between the after-tax income of our senior executives in the United Kingdom and those who work for the Group overseas.

How can one justify, on a continuing basis, the conjoint effect of a taxation policy which has increased the higher rates to penal levels and an incomes policy which has demanded exceptional restraint directed particularly against higher earned incomes? The result is that the senior executives of Standard Chartered in London take home less than their junior colleagues in every continent where the Group engages in commercial banking.

In the national interest this situation simply cannot be allowed to persist because, unless some action is taken before long, many of the coming generation of senior professional bankers will look beyond these shores to satisfy their proper ambitions.

**Total Assets exceed £7,600m**  
**Total Deposits exceed £7,200m**  
**1,500 offices in 60 countries**  
**around the world.**

### BANK PROFITS

I see that the Trades Union Congress in its evidence to the Wilson Committee has called for a 'tighter rein' on bank profits. The reasons why a high level of bank profits is necessary can be simply stated.

Firstly, the business of banking cannot be self-sustaining unless gross profits from which retentions can be taken year by year increase sufficiently to strengthen the capital base and preserve a proper and prudent ratio of capital to the expanding asset total. Furthermore, in an inflationary environment a significant increase in profit retention is necessary merely to maintain the same level of business in real terms.

Secondly, in a time of rapid asset growth, there is the need to raise outside capital, and for this a proven earnings record is essential. To take our own case, Standard Chartered as a major international bank must maintain a capital structure which enables it to compete for business strongly in its world-wide operations.

If new outside capital cannot be raised, the growth of assets must be constrained to the rate that can be accommodated on the capital available. Such constraint would be a recipe for stagnation and ultimate decline, with inevitable consequences for industrial output and employment.

Those who call upon the banks to be more active in channelling funds to industry should ponder the effects of restricting their growth. I hope that this whole subject will be thoroughly and fairly aired in the Wilson Committee. If it is, there need be no concern about the Committee's conclusions.

Copies of the Report and Accounts and of the Chairman's Statement may be obtained from the Secretary, 10 Clements Lane, London EC4N 7AB

## Standard Chartered helps you throughout the world







ACCOUNT DAYS: Dealings Began, July 11. Dealings End, July 22. \$ Contango Day, July 25. Settlement Day, Aug 1  
\$ Forward bargains are per mitted on two previous days

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